

**REPORT**  
**OF**  
**THE COMMITTEE ON**  
**NEWS AGENCIES**



**Government of India**  
**Ministry of Information and Broadcasting**  
**New Delhi**

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## CHAPTER I

### INTRODUCTION

The Committee to examine the structure of Samachar as news-agency and related matters, was appointed by Government of India in the Ministry of Information and Broadcasting through Resolution No. 30/14/77-Press dated 19 April 1977. (Appendix I) The Committee was constituted as follows:

#### *Chairman*

1. Shri Kuldip Nayar

#### *Members*

2. Shri D. R. Mankekar
3. Shri C. R. Irani
4. Shri A. K. Sarkar
5. Shri K. R. Malkani
6. Shri Rahul Barpute
7. Shri Ishrat Ali Siddiqui
8. Shri K. Chathunni Master
9. Shri Nikhil Chakravartty
10. Shri S. G. Munagekar
11. Dr. R. Rajagopalan
12. Shri L. Dayal

2. The Committee held its first meeting in Delhi on 24 April 1977. It held a total of 24 meetings during the period

24 April—2 August 1977. Out of these, 8 meetings were held in Calcutta, Madras, and Bombay. The following are the particulars:

Dates	Number of Meetings
A. 24-25 April	2
B. 2-7 May	9
C. 8-10 May	4
D. 21-22 May	3
E. 12-15 July	4
F. 1-2 August	2
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There was a long gap between 22 May and 12 July, 1977 since two of our colleagues had to go abroad for attending important international Conferences.

3. We issued a brief Questionnaire on essential aspects (Appendix II) to 95 persons, including editors and others concerned with this field. We received replies from 26 of them (Appendix III) which we have taken into account. In addition, we have gratefully received 17 memoranda and letters, containing useful views on the subject from different people with experience and knowledge of the subject who came forward to write to us.

4. We profited a great deal from the extensive discussions we had and the large number of memoranda we received from the employees through their different bodies containing valuable suggestions. We received a total of

28 memoranda from employees on different dates; the following is the list:

Name of organisation	Number of memoranda received
1. Indian Federation of Working Journalists	1
2. National Union of Journalists (India)	1
3. All India Newspaper Employees' Federation	1
4. All India Small Newspapers Association	1
5. West Bengal Union of Journalists	2
6. Madras Union of Journalists	1
7. U. P. Working Journalists Federation	1
8. P. T. I. Employees' Union	3
9. Federation of P.T.I. Employees' Unions	1
10. UNI Employees' Union	8
11. UNI Employees' Federation	1
12. Joint Memorandum of Federation of PTI Employees' Unions and UNI Employees Federation	1
13. Hindustan Samachar Staff Committee	2
14. Samachar Bharati Employees Union	2
15. Union of Samachar Employees	2
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5. By 22 May 1977 the examination of witnesses stood completed; we were able to take a total number of 85 witnesses (Appendix IV) from different fields. Meetings were held in Calcutta, Madras and Bombay to facilitate examination of witnesses. These included editors of newspapers of different languages, senior agency journalists, managers, representatives of different journalists' organisations, retired journalists and the Chairman and Executives of the Samachar.

6. In addition to the above, we tried to study recorded material, made available by the Ministry of Information and Broadcasting as well as from libraries.

7. We considered carefully the possibility of submitting an Interim Report within three weeks for immediate changes in the structure of the Samachar. However, after studying the papers and considering the evidence, we came to the conclusion that this matter was intimately related to the other aspects of the problem which we were to examine in accordance with our Terms of Reference. The Committee felt that, divorced from these, the recommendations regarding the set-up of the Samachar were not likely to be either practical or fruitful. It was, therefore, decided to submit one comprehensive Report.

8. We have tried to study the different issues concerning news-agency work in India in the light of our Terms of Reference. The division of the subject into different areas as in the various Chapters has been made for convenience and with a view to provide an integrated study. However, all the different issues contained in the Terms of Reference have been duly covered.

9. We have appended to this Report a detailed study of some of the major news-agencies of the world. (Appendix V)

10. We would wish to thank the large number of editors, journalists, scholars and others who assisted us in our work by personally appearing before us or by sending to us their detailed views and comments. Without their co-operation, we would not have been able to carry out the task usefully.

11. In conclusion, the Committee records hereby its warmest appreciation of the excellent work done throughout its deliberations by the Member-Secretary, Shri L. Dayal. Due to the steadfast labours put in by him and his staff, the Committee was equipped with enormous material, very ably processed and analysed, which enabled it to produce this Report in the manner it has done. The Committee also records it thanks to Dr. R. Rajagoplan, whose knowledge and experience were of great help in reaching decisions on financial matters.



## CHAPTER II

### THE ROLE AND FUNCTIONS OF NEWS AGENCIES

12. Our aim has been to assess the role and functions of a news-agency as an integral part of the country's media set-up, the adequacy and the freedom of which is vital for the survival and growth of a democratic society. Indeed, our failure to develop news-agency work in the perspective of what the large and varied press of the country needed has been responsible for our agencies functioning in a low key in every respect. From many points of view, the present is the time when it is possible to give a fresh look at this problem and relate it to wider issues. As one of our witnesses stated, "this was the first time in the country that a conceptual treatment was being given to the problem of news agency work."

13. Objectivity, adequacy and independence of the news services are elements inherent in the very definition of a news agency. As the Press Commission (1952-54) observed:

"The basic function of a news agency is to provide news reports of current events to the newspapers and others who subscribe for its service. As would be apparent from this description, it acts only as an agent for collection. It is, therefore, expected to have integrity and disinterestedness."

The Press Commission went ahead to emphasize that, as in the case of justice, a news-agency should not only possess integrity but should be seen to possess it.

14. This means that the news agency is the spirit which informs the structure and contents of the press, that is the newspapers. In India, where the bulk of the press is in the form of newspapers in 15 languages (not to speak of about 40 "other" languages) mostly unable to afford their own correspondents, the agency requires a role which is a little more crucial than it would be in more affluent countries. In this sense, the news agency also becomes the source through which the freedom of the press would be maintained or not maintained. This aspect of the problem is correctly stated by UNESCO, in their publication "News Agencies: Their Structure and Operation" (1953):

"Under systems of government which respect freedom of information, the very purpose of an agency places it under an obligation to observe the most rigid objectivity and impartiality, without which the organisations it supplied with news cannot rely on having the right of choice which is implicit in freedom of expression."

15. We thus regard objectivity, adequacy and independence as the three main attributes needed for the news agency system of the country. These only can enable the press to perform any meaningful social role.

### **Objectivity**

16. The need for objectivity arises from the character of the news agency as the supplier of bulk and basic news to the large variety of newspapers of the country, with different hues and attitudes. This only can contribute to a sense of proportion in disseminating different points of view and reflecting various facets of national life. The Press Commission even remarked that "a news agency should not have any specific editorial policy of its own in the sense in which the term is generally understood."

17. While we are recommending in this Report the creation of two fulfilled parallel agencies for the sake of

efficiency and coverage, we have not done so with the intention of two different 'view-points' on news being provided by the agencies. For one thing, 'view-points' would be not only two but several. Indeed, it is not for a news agency to take on such a role. The evidence of one of our witnesses, a retired agency journalist of longstanding was as follows:

"He explained that the real difference was between the style of news agency reporting and that of newspaper reporting; there should be no such difference between two news agencies."

18. By its very nature, therefore, a news agency system has to adhere to certain accepted norms of objectivity. Where it tilts heavily on one side to the detriment of others it not only abdicates but betrays its function, and thereby loses its credibility; and once any news agency system loses its credibility, its effectiveness, social as well as professional, is undermined. A government may choose to force a news agency to disseminate such information as it thinks should reach the populace and nothing more. Ensconced in such a situation, it may feel secure against any subversion of its regime by way of dissemination of information. But the very logic of its action in curbing the normal function of the news-agency will impair the credibility of news-agency as also of the Government in the eyes of the populace. And once its credibility is lost, no news-agency can mould public opinion. This way one of the major instruments of obtaining public consent, tacit or explicit, can be destroyed, and in final analysis, the discrediting of the channel of information works against the interest of any democratic system which has to depend on the support of the people.

### **Adequacy**

19. However, the main complaint against news-agency work in India so far—barring the period of Emergency—

does not relate so much to objectivity as to its adequacy. For different reasons, many of them beyond their control, our news agencies have not so far been able to cover the national life, either subject-wise, or class-wise or area-wise. The coverage of news in India has been heavily oriented to politics and political controversy, proceedings of Parliament and the State Legislatures, administrative information from the national and State capitals, court news, crime and other sensational news bearing on the seamy side of urban life, to the neglect of the social and economic changes that have been taking place in the country after independence. The rich milieu of contemporary Indian life is not fully reflected in our press. This is why one of our witnesses stated that most newspapers of the country read alike. A news-agency system claiming to be adequate and respon-

sible, will have to break from the traditional concept of news, which heavily tends to revolve round the doings of the government of the day, or at best the political life of a community. In our country when the nation was engaged in the struggle for independence, the overriding consideration was to cover what the alien government was doing together with what the forces struggling for the overthrow of that alien regime were doing. Since then, the concept of news coverage all over the world has changed, and in our country, issues concerning economic development and social relations have come up very prominently on the national scene.

20. The need for a comprehensive focus so as to cover rural scene in news coverage is now-a-days stressed in many forums, national and international. This is no doubt a very important question particularly in a country like ours where over eighty per cent of the population live and die in the village. Any news-agency with relevance to society cannot afford to ignore this vast segment of our nation, just because it happens to be away from the range

of our urban community. Today's system of news gathering gives a disproportionate emphasis on centres where decisions are made and neglects the grass-roots where those decisions are expected to be implemented and would make their impact. This is the bane of our news-gathering so far and this shortcoming is acknowledged on all hands. Nor is this merely a question of territorial coverage. A news agency system in our country cannot get over this shortcoming by just posting a whole army of reporters all over the country, one in every taluka or union of villages. The different tiers in a social hierarchy in our countryside should eventually be covered. This is an injunction which is equally applicable in the case of the coverage of the urban community. With social consciousness spreading fast, it is necessary for a news agency system to cover the life and activity of the middle and lower wings of society. This has nothing to do with any ideological bias but is dictated by the compulsion of a functioning democracy. The stark reality is that these classes constitute the vast majority in our country, and fidelity to democratic values demands that their life and living, their problems and aspirations get adequate reflection in the information content of a news-agency system. An important aim with which we are recommending a new set-up is to enable the news agencies to deliver to the papers a news supply which would be adequate in every sense of the word over a period of time.

21. It is necessary that the need for specialisation is always kept in mind. The days of mere stenographic reporting are a thing of the past all over the world. While important statements and pronouncements have to be accurately covered—since accuracy is an essential component of objectivity—the need for a perceptive, in-depth approach to information concerning problems facing the community as a whole, cannot be over-emphasised. A catalogue of data does not make an effective news item.

The staff of the news agency today whether belonging to the reporting or the editorial section has to be equipped with an understanding of the problems and developments they have to handle. This is not possible without a modicum of specialisation since the complexities of a modern society undergoing technological revolution cannot be transmitted to the lay public without the transmitting agency itself having a grip over them.

22. To be understandable to the lay public, the medium of communication that a news agency takes up has to be mainly the one that the public concerned is familiar with, or more precisely, finds it easy to follow. It is at this point that the language of a news-agency system assumes importance. If a news agency has to be productive in terms of service to the community it has to conform to the linguistic vehicle of the public concerned. It has to disseminate its coverage in languages in which the hitherto unlettered millions of our nation are entering the threshold of learning. Equally necessary is it to take into consideration the diction and style of presentation of news, since these have to be such as to facilitate its assimilation by the sections of the public exposed to it.

### **Independence**

23. The question of independence of a news agency, as of the press in general, retains its eternal validity but acquires a grim significance in India, after the recent experience during the Emergency. While we have recommended statutory safeguards in a charter from the Parliament to prevent interference with or influences on the news agency's work, we are conscious of the fact that legal safeguards, even constitutional safeguards, have not always resulted in preservation of liberty and independence. One witness who had experience of agency journalism, told us

that the question was not so much whether a news-agency would have autonomy but whether autonomy would be respected. We feel the State has a grave responsibility in this matter. A Government which is wedded to democracy must follow a self-denying policy of leaving the press and the news agency free to deliver their news.

24. While there is no doubt that the servicing of the news relating to the executive authority has also to get the necessary dissemination through any agency channel, it is equally necessary for a news-agency system to cover and distribute all news that are not only outside the orbit of Government functioning but are critical of the authority. It is essential in a democracy that dissent should get adequate coverage.

25. Much in the same way, a news-agency system has to guard against the danger of being identified with or dominated by any vested interests, economic, social, communal or political, or even by what is called the 'establishment' in any walk of the community's life.

26. While the main responsibility, therefore, is of the State, we must also emphasize that the strength and vitality of the news-agency itself is also a protection against interference. This principle was stated in telling language by the Commission on Freedom of the Press (USA: 1947). They said:

"Under such circumstances, constitutions and courts will not permanently protect the press if it neglects its primary task of furnishing news and opinions in the form which society needs. Institutions become vulnerable when they cease to do their main jobs well. Sooner or later the public welcomes somebody else who will furnish what is lacks—frequently the State. A vacuum

has been created, and Government officials rush in....Therefore, the strongest assurance which the press can have against governmental encroachment is the vitality of its service to the community."

27. From this point of view, any let up or lowering of standards in the work of a news agency would be unpardonable, since this would ultimately recoil on the news-agency's own status and prestige. It was stated by the Commission on Freedom of the Press (USA 1947).

"The press must know that its faults and errors have ceased to be private vagaries and have become public dangers. Its inadequacies menace the balance of public opinion. It has lost the common and ancient human liberty to be deficient in its functions or to offer half-truth for the whole."

### **News-Agency in a Democratic Society**

28. The importance of building up an enduring structure of news gathering and distribution is thus a necessary adjunct of modern society. No modern state can survive without an adequate set-up of information collection and its judicious dissemination. A system of autarky in respect of communication becomes counter-productive for any regime, and is bound to prove suicidal for a democratic set-up, as recent experience in our own country has amply borne out. The need to be informed is indispensable for any viable regime while the right to be informed has grown over the centuries as an inherent principle of any democratic system. The democratic society derives its strength from wide ranging debates on various issues before the community. A good news agency set-up should be capable of ensuring a continuous flow of information from and to people.

29. Viewed in this background, the concept of modern news agency assumes considerable significance because it vitally concerns both those in authority and those over whom that authority is wielded. Neither those in power nor those over whom that power is exercised can do without the proper functioning of the news-agency system. With the news-agency system, the press and other media of mass communication are assured of a tested and standard pattern of news handling without which there is the danger of both duplication and inadequacy of coverage of information if the task is left to the enterprise and resources of individual newspapers or other media mechanisms such as the Radio or Television. By its very nature, a news-agency worth the name can ill afford to miss major items of information in its own area of coverage; and those who subscribe to it are therefore fairly assured of being informed of the important happenings, and very often, the direction of their development.

30. As social consciousness has advanced, its effect on the idea of a news-agency's role has become significant. To underline therefore the element of social responsibility in the building and functioning of a news-agency system has to be recognised as part of the concept of freedom of the press. Rather, adherence to objectivity enhances the credibility of a news-agency and, to that measure, ensures its freedom from any pressure group, lobby or vested interests.

### **News-Agency and Social change**

31. Can a news agency system be the instrument of social change and, if it can, should it be? In the present day conditions, particularly in a country like ours, pregnant with the possibilities of vast social change, these questions are of more than mere academic interest. The basic principle of social change is that it is brought about by

the section or sections of the community affected by it or expected to benefit from it. A news-agency system therefore cannot by itself be the instrument of social change. At the same time, when a community is in the throes of social change, a news agency system adhering to the principle of objectivity, has to cover or reflect the unfolding of such social change; and to that extent, as a medium of mass communication, it induces and supports the process of social change. If to be informed is the right of a citizen in a democracy, then any social change which involves or affects a significant section in a democratic community is bound to attract the attention and coverage of any news-agency system. To ignore or underplay such social change would be violating the people's right to be informed. Consequently, a news-agency system has the duty to cover differing points of view. The charge of a pronounced bias or partisanship may not affect the standing of a newspaper, but it will certainly undermine the credibility of a news-agency system, and to that extent its justification as well. The test for the agency would be its coverage of the voice of dissent also. A news-agency system has to guard against any jingoist approach. It is necessary that a news-agency, even observing the necessary constraints during times of hostilities, should strive to keep the population informed of the realities of the situation, and this may necessitate, as far as permissible, the presentation of the case of the side other than the so-called 'popular' one. The right to be informed should hold good even in times of international tensions and disputes.

### **Efficiency Techniques**

32. We have suggested in this Report the emergence of two full-fledged Agencies with the hope that, with each having an independent hierarchy and a full scope for expansion, they would provide to each other in incentive for

keeping up their efficiency and standards. Mutually the two organisations can also have a corrective role. However, the best guarantee for a news agency's efficiency is not only the existence of a rival agency but the existence, within the agency, of persons of calibre. Many news organisations of the world have evolved different techniques of internal checks and supervision, so that any lapse is immediately noticed and a constant evaluation of the work is done. Mr. C. Roussel, Chairman of AFP, with whom we had a long discussion, made reference to various methods adopted in AFP, to maintain a high level of performance. He said:

"The performance was maintained through different methods. The local Bureaux were in touch with the subscribers. The complaints and suggestions of the subscribers were transmitted to headquarters. The newspapers kept comparing the news supply from the agency with what they obtained from their own Correspondents. Occassionally the subscribers also came and discussed these matters with senior executives."

33. In fact, the newspaper subscriber themselves can provide a spur all the time to the news agencies. As a witness stated before us:

".....in order to keep a news agency on its toes, in addition to the competence of the people in charge, what was required was an intelligent and demanding set of subscribers."

34. While the set-up we are going to propose in this Report, namely two full-fledged Agencies, would provide adequate source of competition, the major newspapers who have their own reporting bureaux must also provide to the readers a reportage separately from and independently of the news agency, and thus keep the news agencies on their toes.

## **Training**

35. A news agency has to see that specialisation grows within their reporting system both in terms of subject-matter and styles of reporting. This would provide a richness to the reportage which has been lacking so far. Expertise should also be developed in the higher ranges of reporting for which new and modern techniques of writing should be used.

36. To undertake its different tasks the news agency system in our country has to provide adequately for professional training of its own staff. This training has to be something more than the ordinary apprenticeship courses. There has to be arrangement for constant orientation facilities for every level of the staff for the purpose of imbibing not only the professional and technological advance made in the field of communication but also to equip them with the developments in the country, and changing needs and attitudes of the community. Side by side, there have to be opportunities for managerial staff to get proper management training, so indispensable in any enterprise in present day conditions. This task has to be taken up in all seriousness and mere lip service will be harmful. It is only through such training and awareness of new values and also the material facilities available that the dead wood in the enterprise could be cast away and recognition of merit and capacity for meeting the new challenges on the part of the personnel, could be ensured.

## **Conclusion**

37. We would thus recommend that—

- (v) the objectivity, adequacy and independence of the news services be safeguarded in the Act of Parliament through which the reorganised set-up would be created;

- (ii) the Agencies should evolve techniques to maintain internal efficiency and check on the work being done by Correspondents and make a constant self-evaluation; and
- (iii) since the calibre of the staff would be the main requirement for the above, the selection of personnel should take place under conditions of strict impartiality. News-reporting being a creative activity, there should be scope for promoting talent. Further, training programmes for the staff should be developed on an adequate scale. A joint effort by the two Agencies for setting up of training facilities may be useful.



### CHAPTER III

## NEWS AGENCIES OF INDIA: ORIGIN AND GROWTH

### *The pre-independence phase (1866-1947):*

38. The genesis of news agency service in India can be traced back to the year 1866, when Henry Collins, representing the interests of Reuters in India and the Far East, set up his two-roomed office on Hornby Road in Bombay. It was essentially a colonial venture. The purpose was to catch the big newspapers by feeding commercial intelligence about the eastern as well as foreign markets to businessmen and speculators in India and abroad. Political stories filed from the sub-continent were in great demand overseas. As Herbert Reuter remarked at the outbreak of the Anglo-Afghan War in 1878, "this Afghan War has created such an interest in India that we cannot afford to let Indian politics drop". The output initially was 77 words a day from India, and the rate was one pound sterling per word.

39. The concept of an Indian news agency came up gradually as a concomitant of the growing national consciousness in the late nineteenth century which culminated in the birth of the Indian National Congress in the winter of 1885. The first Indian News Agency was the Associated Press of India (API), formed in 1910 by Keshab Chandra Roy in collaboration with Everard Coates, a correspondent of the London Daily Mail, the Statesman and the Madras Mail and with Edward Buck, the political correspondent of Reuters in India. The API had offices in Bombay, Madras and Calcutta, while K. C. Roy operated from Simla, the summer capital of the empire. With the shifting of the

capital from Calcutta to Delhi, news was relayed from Delhi to the other centres. With the exit of K. C. Roy from the management over certain proprietorial issues, the API passed into the hands of Reuters in 1919. It functioned thereafter as a Reuter subsidiary, destined to enjoy a virtually unchallenged monopoly for about three decades. It was K. C. Roy, incidentally, who persuaded Hugh Keeling, the Chief Engineer, to allot to the agency the site in New Delhi's Parliament Street on which the Press Trust of India building was to come up many years later.

40. The second Indian agency, the Free Press of India (FPI) was established in 1927 by S. Sadanand. Like the API at its inception, this news agency had its roots in the persisting awareness of the inability of an externally-controlled agency to reflect the Indian viewpoint. Financial difficulties, however, forced the FPI to shut down in 1935. Mr. Sadanand went bankrupt through the forfeiture of the heavy securities he had to pay repeatedly for the violation of the imperial code. Penalty had to be paid for an editorial entitled "Swaraj is the only remedy" in the agency's paper Free Press Journal, and for publishing extracts from an article by Mahatma Gandhi and a report of Vithalbhai Patel's speech in New York. In 1933, the United Press of India (UPI) came up as the successor to FPI. The agency finally closed down in 1958.

41. The most significant development at this stage was the introduction of the teleprinter system in 1937 by the General Manager of Reuters in India, Mr. W. J. Moloney. It revolutionised the system of transmitting news and made it possible to provide agency service at reasonable rates to small newspapers throughout the country. The contribution of Moloney, who also ran the API from 1923 to 1937, to the growth of agency journalism in India cannot be underestimated. As he himself said, in a memorandum to the Board of Reuters in 1944, "Of my work in India

the most important features were the substitution of Indias for Europeans in the various branches.....the supply of Reuter's news to the vernacular newspapers to none of whom in virtue of our contracts with the English newspapers could Reuters deliver any service. The contracts were renegotiated so as to permit of a service to the vernacular papers. Another development during my time in India was the establishment of the 'Reuterian' Wireless Commercial Service from Rugby direct daily to our office in Bombay within a couple of minutes of the quotations on the New York and Liverpool exchanges. The year 1937 saw the inauguration of the teleprinter service. The first circuit was from Bombay to Calcutta direct, the full service of our other branches was not completed till 1938....." The curtain was thus rung down on the era of the pigeon post, the telegram and mail as the transmitters of news.

### **The post-Independence phase (1947—1976):**

#### *The Press Trust of India (PTI)*

42. The transfer of political power in 1947 had to be followed by the transfer of power in the sphere of news. The transfer of control from Reuters to the Indian newspapers was not without tension. The idea of the take-over of API from Reuters was mooted in 1946 at a meeting of the Indian and Eastern Newspapers Society (IENS) in Lahore. Among those who supported the scheme were Devdas Gandhi, Kasturi Srinivasan and Tushar Kanti Ghosh. Meanwhile, the Labour Government which had come to power in England in the wake of the Tory defeat in 1945, had sounded Reuters to come to terms with the Indian Newspapers about the transfer of its interests. While agreeable to the handing over of the business of the internal agency, API, to the national news agency, Reuters wanted to retain control over the foreign news service.

The deadlock was finally resolved through the intercession of Sardar Vallabhbhai Patel, then the Member for Home and Information of the Government of India. He insisted on the total transfer of Reuter's Indian Interests to the Indian agency, failing which the Reuter teleprinter line licence due for renewal in July 1947, would not be renewed. This clinched the issue. Thus, the Press Trust of India (PTI) which had been registered as a company in August 1947, went into operation on February 1, 1949.

43. PTI began as a non-profit venture. According to the Memorandum and the Articles of Association of the Company, shareholding was restricted to newspapers regularly published in India, which subscribed to its services. The shareholders could not be paid any dividends, with the income being invested solely on the promotion of professional activities originally set out for it. Its Constitution had also provided that "control shall at no time pass into the hands of any interests, group or section". Administration was the responsibility of a General Manager and a Board of 14 directors, of whom 10 were from the newspapers and 4 were public men. A Chairman was elected annually.

44. The 30,000 Km. long teleprinter network it inherited from API in 1949 had grown to 55,000 Km. by the end of 1975. Starting with 30 bureaux in 1949, the PTI had 70 bureaux spread over cities and towns in 1975. The number of teleprinters linking the bureaux was 1150 in 1970, 1160 in 1972, 1180 in 1974, and 1200 in 1974-75. It had a total staff strength of 1251 in 1975, of which 181 were journalists, 268 stringers and 801 non-journalists. The available data indicate the rise in PTI revenues from Rs. 1.52 crores in 1971 to Rs. 190 crores in 1975. These figures do represent growth but the margin of growth, over time, was not substantial.

45. PTI operations abroad could not match the scale of its coverage within the country, due primarily to financial constraints. The number of foreign correspondents went down from 12 and 9 at various stages and was finally only 5 by 1975—United Nations, Moscow, Kathmandu, Colombo and London. Earlier, there were correspondents on the news trail not merely in Cairo, Belgrade, Kuala Lumpur, Tokyo, but also nearer home in Dacca, Karachi and Rawalpindi.

46. In 1959, PTI's exclusive partnership with Reuters for the purchase of Reuter news ended. PTI kept its windows on the world scene open through arrangements for exchange of news with 14 foreign news agencies—Reuters (UK), AFP (France), UPI (USA), Tanjug (Yugoslavia), Antara (Indonesia), Polska Agencja Prasowa (Poland), Allgemeiner Deutscher Nachrichtendienst (German Democratic Republic), BSS (Bangladesh), Novosti (USSR), Bername (Malaysia), Prensa Latina (Cuba), Agerpress (Rumania).

#### *United News of India (UNI)*

47. The 25-year old United Press of India (UPI) had collapsed in 1958 and the void had to be filled. The Press Commission Report (1952—54) had spoken of the need to have "at least two news agencies each competing with the other and also acting as a corrective to the other". The newspapers shared this feeling. The UNI was sponsored by eight newspapers, Hindu, Times of India, Statesman, Amrit Bazar Patrika, Hindustan Times, Hindustan Standard, Deccan Herald and Aryavarta. On the first day of its operations, the UNI sent out just 2 messages to its subscribers from its cabin in the IENS building: a message from Dr. B. V. Keskar, the then Minister of Information and Broadcasting and another one from Mr. Alfred Charlton, former editor of the Statesman.

48. The agency for some time had to make do with old UPI teleprinter machines, rusted through disuse. For this modest start, the UNI grew into an important rival agency within a decade. The number of UNI subscribers in 1961 was 13. It had risen to 50 by 1964, 109 by 1967 and to 223 in 1971. In 1971, UNI had 249 teleprinters and 43 centres. By 1975, the 53 UNI bureaux across the country had been linked up by 408 teleprinters. Within ten years of its existence, the UNI was earning a revenue of Rs. 54.31 lakhs in 1971. It registered an increase from Rs. 67.73 lakhs in 1974 to Rs. 87.14 lakhs in 1975. It was a 5-man office when UNI began. By 1975, it had a staff of 697, which included 139 journalists, 392 non-journalists and 166 stringers. The pace of growth was rapid in the case of UNI but in absolute terms and in relation to the country's requirements its coverage was still inadequate.

49. The UNI had launched a number of specialised services. In 1968, it introduced a weekly Backgrounder Service, of well-documented, in-depth backgrounders on current topics. In 1970, the UNI Agriculture News and Feature Service was launched, a pioneering effort in the field of agricultural journalism. The financial and commercial service provided trend reports on Indian and foreign markets. The last in the series was the UNI Airmail News Service (1971) designed to ensure a steady flow of processed, factual information on a variety of themes to periodicals. UNI was also the first to venture into the field of science reportage with a full-time science correspondent.

50. For world news, the UNI had arrangements with the Associated Press (USA), Deutsche Press-Agentur (West Germany), Agenzia Nazionale Stampa Associata (Italy), Agerpress (Rumania), Ceteka (Czechoslovakia), Jiji (Japan), the Eastern News Agency (Bangladesh), Rashtriya Sanbad Samiti (Nepal) and Tanjug (Yugoslavia). The UNI had four stringers, one each in Hong Kong, Singapore,

Kabul and Colombo and one staffer each in Dacca and Kathmandu. To supplement foreign agency coverage, it had a Radio Monitoring Unit to pick up the news from the major world radio networks.

### *Hindustan Samachar*

51. India's first multilingual agency, the Hindustan Samachar, was set up as a private limited company in 1948 by S. S. Apte. Its avowed aim was to educate the masses to take part in national development and to strive for national integration through the promotion of all Indian languages. This early effort was limited to the distribution of news among local newspapers through Devanagari telegrams. The situation improved somewhat with the advent of Devanagari teleprinters, but the heavy transmission costs forced Mr. Apte to hand over the agency to a cooperative society of workers. In 1957, it became a society called the Hindustan Samachar Cooperative Society, with its headquarters in New Delhi. Being a workers' cooperative, it remained free of the control of both the government as well as the big newspaper proprietors.

52. In 1975, it had a teleprinter circuit of 14, which connected its network of 21 bureaux. It also had at one time bureaux in Nepal, Sikkim and Bhutan. Financially, it was better off than Samachar Bharati. The agency's revenue rose from Rs. 7.96 lakhs in 1971 to Rs. 10.77 lakhs in 1975. It had a staff of 162, of whom 74 were journalists, 68 non-journalists and 20 stringers.

53. The agency fed news to its more than 135 subscribers in 10 languages—Hindi, Gujarati, Marathi, Punjabi, Urdu, Bengali, Oriya, Assamese, Telegu and Malayalam. It had teleprinter services in Hindi and Marathi. Copies filed by correspondents to headquarters would be put out after editing to the regional centres where they would be

translated into local languages for transmission to local subscribers.

54. To tap additional sources of revenue and explore new fields in reportage it ran special feature services. It used to bring out a year book in Hindi entitled "Varshiki". A monthly feature service named "Yugvarta" was also brought out containing a minimum of 15 news features on themes of topical interest.

### *Samachar Bharati*

55. The second language agency, the Samachar Bharati, came into being on October 2, 1966 and commenced operations in 1967. In 1970, the agency was converted almost into a government company with the State Governments of Bihar, Gujarat, Rajasthan and Karnataka holding more than fifty per cent of the company's shares. Its first Chairman was the then Governor of Bombay, Sri Prakasa. Shri Jayaprakash Narain served as its Chairman for several years. The Samachar Bharati remained financially weak, in spite of its heavy share-capital. Even in 1976, its salary arrears came to Rs. 1.60 lakhs, in addition to the uncovered liabilities of Rs. 9.57 lakhs. Its revenue during 1975 was Rs. 5.50 lakhs only. The number of teleprinters stood static at 49 between 1971 and 1975, connecting a network of 13 bureaux. There had been no marked increase in the strength of the staff either. In 1975, it had 138 employees. Of these, 40 were journalists, 48 non-journalists and 50 stringers. In 1971, the staff had numbered 141, including 41 journalists, 50 stringers and 50 non-journalists.

56. However, despite the financial handicaps, the agency rendered valuable services in supplying news to the language papers, most of them small and medium newspapers, not merely in Hindi but also in Marathi, Gujarati, Kannada, Urdu and Punjabi. Among its subscribers were 50 newspapers, the AIR and State Information agencies. In 1973, it

started an annual reference manual in Hindi called “Desh aur Duniya”. It also had a feature service—“Bharati”. The agency had at various times organised seminars and workshops to give professional training to language journalists and stringers.

57. The four agencies, the oldest and the biggest of them with a history of more than 25 years behind it, merged their separate identities into what came to be known as “SAMACHAR” in February 1976. With the emergence of this peculiar entity, a new chapter in the history of Indian news agencies had begun.



## CHAPTER IV

### THE FORMATION AND FUNCTIONING OF SAMACHAR

58. The decision to "restructure" the four teleprinter news Agencies, according to the White Paper (on misuse of mass media) presented by Government in the Parliament on 1 August, 1977, had been taken at the level of the former Prime Minister at a meeting held in her office on 26 July, 1975. The former Minister (Information & Broadcasting), Shri V. C. Shukla, discussed with the heads and representatives of the four Agencies several times his proposal for all the Agencies merging together to form a single agency. The proposal was supported in different ways and for different reasons by the heads of the Agencies.

59. In December 1975 Government considered a proposal to set up, under an Act of Parliament, a corporate body which would take over the four agencies. The governing council was to be nominated by the President of India. Since the finances of all the agencies were in the red, they were not entitled to any compensation but only to a solatium. The proposal to incorporate the news agency under an Act of Parliament was not approved by the Cabinet which instead discussed "other methods" to bring about a merger of the four agencies. It was decided subsequently by the then Minister (I. & B.) that a registered society should be created. While efforts were made to 'persuade' the Chairman of the Agencies to agree to the merger, several coercive steps were taken by Government. The AIR, on 2 January, 1976, served notices on PTI and UNI that the subscription would cease with effect from 1 February, 1976. The formal agreements had expired as far back as 1973

and thus there was no problem in serving such notices. The teleprinter services being taken by different Government departments and at the residences of Ministers were terminated. The efforts to obtain 'voluntary' merger were made under the cover of these decisions.

60. The type of response from the Agencies varied although under the circumstances each one had to fall in line. They were well aware that they could be 'taken over' by law as Government had already contemplated.

61. The Chairman of PTI, Shri P. C. Gupta, in his letter of 15 December, 1975, addressed to then Minister, expressed his "regret" that the Board of Directors had till then not agreed on formation of a single news agency. He said this was because out of 16 members only 5 could attend the meeting of the Board held on 10 December, 1975 and these included Shri C. C. Shah and Shri Sham Lal, who were totally opposed to the amalgamation of news agencies. The other members had also supported them and thus, in spite of "my throwing light on the whole subject they could not agree to my views". However, he believed that "a change in the thinking of the members had taken place" and after "some more clarification" was received from the Minister, "the General Body of shareholders would accept the scheme". In his letter dated 12 January, 1976, the Chairman of P.T.I. stated that "if the merger of the agencies is essential and is in the interest of the country PTI should cooperate" and added that "this has been my personal view from the very beginning". He also suggested that the Minister should address the Members of the Board of Directors. "I am sure it should be easier to get the whole thing straightened up with his kind advice". The Chairman of UNI, Dr. Ram S. Tarneja, in his letter of 13 January 1976 conveyed to the Minister the Resolution of the Board of Directors saying that "the feasibility of creating one amalgamated news agency through voluntary merger

should be seriously considered" and assuring that the Board was "prepared to take necessary steps in the matter". However, it should be ensured that "the proposed news agency enjoys fullest autonomy so that its credibility and objectivity is never in doubt". The Managing Committee of the Hindustan Samachar in its Resolution dated 15 January 1976 agreed to the proposal, "keeping the present situation of the country in view". It added that the proposal for an "independent, non-partisan, legal, autonomous, capable and effective news agency" was in principle acceptable in the interests of the nation. It was suggested that on co-operative principle, at least half of the members of the Managing Committee of the proposed agency should be drawn from the employees. The Chairman of the Samachar Bharati extended "fullest support" to the scheme, and, in his letter of December 23, 1975, claimed credit for being the only agency which had given "hearty" approval.

62 The employees' unions of the four Agencies passed resolutions accepting the idea of a single national news agency. The employees legitimately believed that belonging to a larger size all-India body could in no way be disadvantageous to them. Indeed, there is a section of opinion which holds that the country should have only one major news agency; such an evidence was laid before us by several eminent journalists, including some who had themselves suffered during the Emergency as a result of the creation of Samachar. The employees' union of the UNI, in its Resolution dated 21st January 1976, welcomed the proposal for "a good, independent, viable and autonomous national news agency". It would not, therefore, be right to view the idea of a single agency itself as something diabolical. The difference lies in the motivation with which the Government carried out this operation; this was proved later by the many instances of Government intervening in appointments in Samachar as well as the political influence on Samachar's news despatches.

## Composition of the Society and its Managing Committees

63. On 21 January, 1976, the former Minister made a statement in the Lok Sabha saying that Government welcomed the initiatives taken by the Agencies towards merger. As against the proposal for a statutory corporation owned by Government which had been considered in December 1975, Government got a Society registered under the Societies Registration Act, 1860, on an application signed by seven persons on 24 January, 1976. The applicants, all selected by Government, were:

1. Shri G. Kasturi
2. Shri P. C. Gupta
3. Dr. Ram S. Tarneja
4. Shri Abid Ali Khan
5. Dr. L. M. Singhvi
6. Shri N. Rajan
7. Shri B. K. Joshi

Shri G. Kasturi was made Chairman of Samachar, Shri P. C. Gupta and Dr. Ram S. Tarneja were taken as Chairmen of the Boards of Directors of PTI and UNI respectively. The Chairman of Samachar Bharati, Shri Shankar Dayal Singh, was not taken because he was a Member of Parliament.

Dr. L. M. Singhvi, a Director in Samachar Bharati, was, therefore, taken. On 28 January 1976, five more persons were added including Shri Mohammed Yunus. He was then Prime Minister's Special Envoy with the rank of a Minister of State. The other additions were Shri A. G. Sheorey, Shri Tuhin Kanti Ghosh, Shri K. M. Mathew and Shri K. K. Jha. Shri A. G. Sheorey was taken because he

was a Director in Hindustan Samachar. On 30 April, 1976, four more persons were added. These were Shri V. M. Nair, Shri M. Shamim, Dr. Raj K. Nigam, (a Government official) and the Director-General, All India Radio.

64. In January 1977, at the instance of the Minister, the Managing Committee was reduced to a strength of seven, leaving the rest as ordinary members of the Society. The Managing Committee members now were:

1. Shri G. Kasturi
2. Shri Mohammed Yunus
3. Dr. Ram S. Tarneja
4. Shri Abid Ali Khan
5. Shri N. Rajan
6. Dr. Raj K. Nigam
7. Shri W. Lazarus

At this time Dr. Raj K. Nigam was named as Executive Member and his services were placed by Government with Samachar for whole-time work. Thus in January 1977, in the reorganised Managing Committee of Samachar, only the UNI Chairman was left as a member from the set of four news Agencies which had merged to form Samachar. In April 1977, when the present Government came to office, the services of Dr. Raj K. Nigam were withdrawn.

65. The entire business being carried on by the four Agencies using teleprinter lines was thus entrusted to this organisation, consisting of a total of 16 persons of whom 7 were in the Board of Directors. The concept of a 'registered society' gave to the organisation a club-like form in which easy entry of any larger number of persons or institutions was not possible. With such a small group of persons, it was also easy to get things done.

### **Appointment of Senior Executives**

66. We must now refer to the appointment of other senior executives in Samachar. When from 1 April 1976, the Managing Committee of the Samachar started functioning on behalf of the Board of all the four Agencies, it was found that the General Manager of PTI, late Shri K. S. Ramachandran, had been dismissed and the PTI Board had already, on 16 February 1976 made the appointment of a new General Manager. The Samachar thereafter appointed the same person as its own Acting General Manager. Shri G. G. Mirchandani, who had been Editor and General Manager of UNI for about 8 years, was forced by the UNI authorities during February 1976 itself to take retirement and on February 16, 1976 he had left the UNI. The chief executive of Hindustan Samachar, Shri B. P. Aggarwal, had a dual capacity, he was the Managing Editor of Hindustan Samachar as News Agency and, under the Co-operative Societies Act, he was also Secretary of the Hindustan Samachar Co-operative Society which owned the Agency. In the new set-up Shri B. P. Aggarwal worked only for the residual matters of Hindustan Samachar as a Co-operative Society and was not given any assignment in Samachar. On 24 April 1976, he was served with a written order directing him to "refrain from entering Samachar office with immediate effect". Even when he was later allowed to 'enter' the Samachar Office he was not given any work. The chief executive of the Samachar Bharati, Shri D. V. Gandhi, proceeded on leave from 1 April 1976 and subsequently resigned.

### **Organisational Steps**

67. The credit line of Samachar had started appearing from 1 February 1976, following an agreement signed by the four Agencies on 29th January, 1976. Thereafter, the Agencies gave power of attorney to the Samachar Managing Committee to transact all business on their behalf; this

was approved by their General Bodies in due course. With effect from 1 April 1976, the Managing Committee of the Samachar started functioning and carrying on business which had belonged to the four Agencies.

68. The assets and liabilities of the four Agencies were deemed to have been taken over by the Samachar which also purchased about 80 per cent of their shares. The entire personnel totalling over 1,800 was brought under the employment of the Samachar. In April 1976 itself the subscription rates were increased and made equal to the total of the rates paid by a subscriber to the different constituent units. From the next month, May 1976, a surcharge of 10 per cent was added to this. We were informed by the Chairman of Samachar that an increase of another 10 per cent was under contemplation. The final subscription rates, however, still remained to be finalised.

69. The Samachar appointed 3 Committees with the following persons as Chairmen to examine and make recommendations on different aspects:

1. Committee on integration of personnel—Shri R. P. Billimoria.
2. Committee on structure—Dr. Ram S. Tarneja.
3. Committee on Constitution and bye-laws—Shri P. C. Gupta

70. The recommendations of the Personnel Committee were accepted by the management and, accordingly, the employees were given Class I scales of payment, as employees of an organisation whose total income exceeded rupees two crores. While doing so, no thought was given either to the merit or calibre of the employees receiving the benefit or the capacity of the organisation to bear the cost. Certain other benefits such as house rent, medical facilities, leave travel concession and group insurance were also extended to the employees.

## Government Grants

71. Government gave a grant of Rs. 25 lakhs to facilitate the increase in pay and allowances. In addition, Government gave grants of Rs. 10 lakhs and Rs. 15 lakhs respectively towards discharge of previous liabilities and for making up current deficit. A total Government grant of Rs. 50 lakhs was thus given during 1976-77.

72. The quantity as well as the 'quality' of newswork of Samachar, instead of improving as a result of integration of resources and personnel, declined. Except for removing a good number of stringers of Hindustan Samachar, no other kind of redistribution of personnel was made so as to increase the coverage of the districts. As regards credibility of news, the whole country came to believe that the Samachar reports were being controlled by the establishment.

## Influences over Samachar's Reporting

73. Evidence has been laid before us that during the Emergency news released by Samachar on items considered politically 'sensitive' got interfered with from time to time at the instance of elements supporting the Congress Party and the Emergency. There was constant and direct political interference with a view to 'managing' or even fabricating news in the interest of a small group around the former Prime Minister. For a news agency, this has to be regarded as a very serious matter, since an agency is the main source for the provision of basic news to the entire press of the country and specially to such newspapers—their number is very large—as do not have their own correspondents. While distorted or wrong news would be improper for any newspaper or media, this is more so for a news agency which must, like Caesar's wife, be above suspicion. We are tempted to quote a remark made before us by a senior journalist that the Samachar had functioned "as an example how not to run a news agency".

74. As we have said, the Samachar management had become a 'closed-door' making it possible to manipulate its functioning very easily. It is not surprising, therefore, that case after case has come to our notice which shows some invisible hands doctoring the news that went out from Samachar. Evidence has come before us showing the pro-Government bias in the news frequently released by the Samachar, during the Emergency.

75. The fact that the Samachar management at some level was in liaison with Government and pro-Government political elements is shown by certain decisions of the Censors which described the Samachar version as the only one which would be permitted. The Censor authorities had issued verbal orders for killing the news of Shri Jayaprakash Narain's letter to Smt. Indira Gandhi, concerning her offer of contribution for purchase of dialysis machine. Subsequently, the Censors declared the Samachar story, released on 17 June 1976, as correct and permissible. Two more striking instances of motivated reporting are the Bangalore dateline story of 14 January 1977, regarding an alleged CPI meeting and the Bhopal news item of 14 December 1976, regarding a statement by Shri C. Rajeshwar Rao, General Secretary of the CPI. The Bangalore news brought forth a strong protest from Shri S. A. Dange, Chairman of CPI, and the Samachar had, therefore, to repudiate it altogether. The Bhopal dateline news of 14 December 1976, put a statement in the mouth of Shri C. Rajeshwar Rao, whereby he withdrew his opposition to what he had earlier described as the "caucus" in the Congress and declared that "the CPI would support the 5-Point Programme". On 16 November 1976, the Samachar released the results of a "nationwide survey" made through "crews of Samachar reporters trekking the towns and villages in high hills and flat plains who took the pulse of hundreds of men and women.... from the heights of Kashmir to the coasts of Kerala and from salubrious Shillong to sun-baked Bikaner..." Large contingents of the

Samachar reporters are said to have interviewed countless people from different strata of society in all corners of India and come to the conclusion that country did not want elections and wanted to "consolidate the gains of Emergency". Leaving aside the puerile language of this report, which does no credit to a news agency, the news item apparently appears to be a manufactured one. A somewhat smaller crew of Samachar investigators, on 31 May 1976, had "found no shred of basis" for the allegations of police excess in the Turkman Gate area in Delhi. The Samachar band of reporters also "did not come across a single person in the area who had personally seen the body of a victim of sterilization or visited aggrieved family." We do not also think it was right for Samachar as a news agency, to have used the word "defected" in its despatch of 2 February 1977 referring to the resignation of Shri Jagjivan Ram from the Congress Party. When in the body of the news Shri Jagjivan Ram was reported to have said that he was no more a member of the Congress Party, it is not clear how his leaving the party was described as 'defection' unless the news is considered to have been written from the point of view of the Congress Party. We also believe there was a delay in releasing the joint statement of 2 February 1977 by Shri Jagjivan Ram, Shri H. N. Bahuguna and Smt. Nandini Satpathy. The Press Conference addressed by Shri Morarji Desai on January 23, 1977, after his release, was also not reported upon promptly by the Samachar and they took a little time to do so. There is no reason for such delays unless we presume the Samachar authorities needed clearance from somewhere for releasing these items. The report on Shri Morarji Desai's press Conference was not delayed due to the Censors. On this date, the Censor authorities were not functioning, since Government had withdrawn censorship, and, in fact, the item was not sent to any Government authority at all. The news of 14 March 1977 regarding alleged attack on Shri Sanjay Gandhi, gave a categorical account of the alleged incident, with the preamble that Shri Gandhi had "a providential escape". The

veracity of this incident is at present under investigation of the Government of U.P.

76. We have also not been able to understand for what purpose one of the correspondents was designated during the Emergency as "Roving Correspondent" for a news agency which has its bureaux all over the country.

77. We may remark that it was quite possible for the establishment to manipulate the working of all the four Agencies, as indeed it manipulated a whole lot of newspapers, including several which enjoyed a level of financial stability which none of the four news Agencies ever had.

### **Conclusion**

78. The above shows gross professional misdemeanour in the Samachar during this period. Responsibility for this would lie on the executive of the agency as well as on its Managing Committee. We recommend that this should be investigated and responsibility fixed.

79. Functionally, the Samachar is at present at a low ebb on the whole. We have made recommendations regarding structure with the aim of investing the news set-up in India with an immediate capability for good extensive coverage and a potential for growth within a short span of time. It would, however, require a great deal of organisational and administrative effort to achieve this. We feel an intensive effort would be needed, during the next few months to bring about, first of all, the reorganised set up.

## CHAPTER V

### INTERNATIONAL SERVICES

80. We have considered at some length the present state of India's contact with the rest of the world on the news-scene, namely, the drawal of world news for the country's press and the coverage of Indian news in the world press.

#### **Need for coverage of Indian news**

81. While the Indian Press is fed by a large volume of foreign news, India has not been able to sell any news service abroad, even in regions where there is a great deal of interest in Indian affairs and events. This underlines the urgency for the creation of an international news agency for disseminating Indian news abroad.

82. The Southern part of Asia is regarded as an area of great geo-political, economic and cultural interest. People in other parts of the world, particularly Asia and Africa, would be deeply interested in the developments taking place in this region. In areas like West Indies, Guyana, Kenya, Mauritius, Fiji and even Canada and the West Coast of U.S.A., with sizeable Indian-origin population, there is sufficient interest in Indian events. The Indian press, by virtue of its size as well as its standards, already has a high place not only in the sub-continent but in the world. We, therefore, see no justification for the complex that we have no potential for exporting our news and nobody would be interested in it. We are of the view that we must make a beginning.

### **Scheme Considered by Government in 1974-75**

83. The Ministry of Information and Broadcasting, during 1974-75 held discussions with both PTI and UNI, exploring the possibilities of setting up an international service with complete financial support by Government. The expenditure was estimated at about Rs. 50 lakhs. It was envisaged that the ISI Transmission would not be disturbed but remain confined to Governmental information. The UNI proposed earmarking of different regions of the world, a proposition which was not acceptable to PTI who would prefer an equitable share of news-cast time between the two agencies. The scheme was not pursued further. While we regret that, after 30 years of our independence and with a large and living press, we have not been able to organise an international news service, we do not regret that the above scheme was given up. It implied indirect control by Government over this activity. We consider it may be better to have no news rather than to have supervised news. If this kind of an international news service had got organised, it would only have added to the propaganda in favour of the Emergency which was being carried on by the Indian Missions abroad under the orders of Government in power.

### **News Exchange Amongst non-aligned countries: The 'Pool'**

84. The need to project Indian news at least in the community of developing nations—and reciprocate similar effort by others—is not necessarily a child of what is called 'non-alignment'. An Indian system of international news services has got to include effectively within its ambit the developing countries and the Asian and African nations. This would be a more meaningful enterprise than our just trying to duplicate the coverage from the capitals of the advanced countries.

85. The need for news-communication between Indian and other nations in this region, specially in Asia, is thus not a matter of political or diplomatic manoeuvre. It is one of the felt needs and arises from India's own situation.

86. We have thus considered the issues relating to the Press Agencies Pool of non-aligned countries in the context of the total problem of our international services. The non-aligned countries, numbering about 100, and comprising almost entirely the less developed regions of the world, started feeling concerned with the media situation from 1973 itself. Earlier to this, the question of adequate and equitable flow of information amongst all nations of the world, no matter whether they were developed or not, was under review within the international framework of the United Nations. The sanctity of free expression is enshrined in Article 19 of the Universal Declaration of Human Rights and was reiterated by the U.N. Conference on Freedom of Information held in 1948. The responsibility was passed on to the UNESCO by the U.N. General Assembly itself at its Seventh Session held in 1952 when it was decided, first of all, to make a survey of the state of mass-media. In 1957, the Secretary-General of UNESCO conceded the inadequacy of data on this subject and reported that, when the factual position was not fully known it was not possible to formulate any programme. The Economic and Social Council of the U.N. at their session held in 1959, therefore, wanted the UNESCO to conduct a thorough survey of the situation. This led the UNESCO to hold several conferences in different regions. The results of some of these deliberations were considered by the U.N. on the forums of the Commission of Human Rights and the Economic and Social Council in 1961. They resolved that both national development of media and international co-operation in this field were necessary, especially for the developing countries. With these efforts at the back of their mind, the heads of States of non-aligned countries at

the Summit Conference at Algiers in 1973 adopted a "plan of action", trying to concretise efforts for international co-operation within the non-aligned framework. Articles 13 and 14 of the Plan referred to the development of mass media.

87. In January 1975, the Yugoslavian News Agency, Tanjug, floated an arrangement for voluntary exchange of news with some news agencies of the non-aligned world. The Conference of Foreign Ministers of non-aligned countries, held in Lima in August 1975, taking note of this development, wanted to build further on this experience, so that these activities did not remain confined to a small coterie of nations and got accepted as a formal activity of the non-aligned community. It was decided through Resolution VI of the Lima Conference that the question of framing a constitution for the News Agencies Pool of non-aligned countries should be examined in detail at a special conference; India agreed to convene such a conference. At the New Delhi Conference of July 1976, Information Ministers and news agency representatives from 62 countries assembled. There were 51 journalist-delegates present at the Conference. Besides, the representatives of U.N., Arab League, Organisation of African Unity and the Organisation of Afro-Asian People's Solidarity attended. The New Delhi Conference and its decisions carried weight due to the impressive size of its participation. The decisions got ratified at the Summit Conference of non-aligned countries held in Colombo in August, 1976.

88. We have gone through the documents of the New Delhi Conference in which we do notice a great deal of diplomatic and political verbiage which is the characteristic of all international conferences. We have also taken note of Government of India's latest declaration to the effect that India's attitude towards non-alignment continues as before. We have, however, examined the question of India's activities in respect of the non-aligned News Pool from the

point of view of expansion of flow of news which is our main concern. Simultaneously, we have to guard against any Governmental influence over the news-flow, especially from quarters where the news system itself might be under varying degrees of state control. The relevance of press as a national requirement is related to its role as an educative force for a democracy, as we are. The Committee, therefore, agrees that the receipt and utilisation of news from any part of the world must depend entirely on the recipients' discretion

89. However, we do agree that less developed countries have as much right to send their news to the so-called advanced countries as the latter have to send theirs to us. We also appreciate that, in spite of our will, we have had to accept passively the news flowing from countries with advanced technology due to the sheer inadequacy of our own technical capability. While 70 per cent of the world's population lives in Asia, Africa and Latin America, only 26 per cent of world's daily newspapers are bought in these regions. The aspiration of resurgent nations to step up their own media, including news agencies, alongside the media of developed countries appears natural and legitimate. The Declaration adopted by the New Delhi Conference said:

"The dissemination of information rests at present in the hands of a few agencies located in a few developed countries, and the rest of the people of the world are forced to see each other, and even themselves, through the medium of these agencies."

90. The New Delhi Conference carried out its main task of preparing a broad 'Constitution' for the Press Agencies' Pool. This was based on a Paper presented in the Conference jointly by India, Yugoslavia and Tunisia. At a preparatory meeting held in Belgrade in January 1976, working teams from the three countries had agreed on certain

essentials for the proposed Constitution. This ultimately found favour with all others and the following principles got embedded in the Constitution:

- (i) The aim was not to restrict but to supplement and expand the existing flow of news.
- (ii) The Pool was not to acquire hard contours and become a supranational news agency; the Pool would imply a set of arrangements.
- (iii) Following from the above, there would be no need for the Pool to have either a secretariat or fixed headquarters.
- (iv) The utilisation of the wordage received by an agency would be fully within its discretion.

The main consideration was "to enrich and expand, rather than to restrict, the possibilities of news-sharing amongst the countries concerned". The Constitution said:

"The Pool is intended to facilitate dissemination of correct and factual information about non-aligned countries, through mutual cooperation, and other subjects of common interest, among the non-aligned countries as well as the international community in general. . . . The Pool is not intended to substitute news exchange arrangements already existing among the non-aligned countries or to be a supra-national news agency but to fulfil the above-mentioned objectives."

In the modes of 'functioning' it was clarified:

"The Pool does not preclude bilateral arrangements between participating agencies or between them and other agencies, consistent with the objectives of the Pool."

91. As regards the freedom of the receiving agencies to utilise the news received, the Constitution provided that

the distribution of the news received would be governed by (as they should be) the agreements existing between the agency and their own subscribers. No compulsions were thus laid down. Consistent with these principles, the model form of agreement evolved at the first meeting of the Coordination Committee held in Cairo in January 1977, also provides:

“Each agency will give to the other the right to receive and distribute for publication news material specially prepared.”

92. The New Delhi Conference also decided that co-operation in respect of all media would be promoted. Here again, the relationship of these activities of the non-aligned community with its existing arrangements with countries outside this community, was clearly brought out as one of the ‘decisions’ of the New Delhi Conference. This was described as follows:

“Promotion of cooperation among non-aligned countries in a spirit of collective self-reliance to enable each country to bring its information media to a level where it can meet the national needs without undue dependence on the media of advanced countries and where it can enter into fruitful cooperation with other non-aligned countries.”

93. In view of the above, we consider that India’s continued participation in the Pool, according to a sound and business-like plan of action, would be to the advantage of the country’s press and consistent with India’s well-accepted position in the non-aligned community.

94. However, we are surprised to note that the Samachar, after the above scheme was adopted proceeded to terminate its agreement with UPI and DPA, two of world’s esteemed news agencies, as if our participation in the News

Pool arrangements amounted to a confrontation with the news media of countries outside the non-aligned community. This approach appears to be the very opposite of what is stated in clear terms in all the documents of the New Delhi Conference and in the Constitution of the Pool.

95. It was provided that a Coordination Committee would be elected during each year in which a Summit Conference was scheduled, in other words, for a period of three years. Since a Summit Conference was scheduled to be held in August 1976, the New Delhi Conference elected a Coordination Committee comprising 15 nations for the ensuing period of three years. India got elected as its Chairman.

96. India also presented a Paper on the problem of communication facilities and cable tariffs. As recommended in this Paper, the Conference appointed an Expert Committee of 12 nations, including India, to go into this subject in detail and suggest a programme of action. The Committee have held their first meeting in Baghdad only in May 1977. We are informed that no delegate was sent by India to this meeting, although the Committee had already decided to elect the Indian delegate as the Vice-Chairman for the meeting. (The Chairmanship, as is the custom, had to go to the delegate of the host country.) It does not appear that much substantial work was transacted at this meeting. The Committee decided that the recommendations of India should be obtained separately and circulated to all the members.

97. It was only in January 1977, that a proper meeting of the Coordination Committee was held in Cairo. We are left with the feeling that much valuable time has been lost and not enough ground has been covered so far even for starting initial arrangements. The Cairo meeting does not appear to have resulted in any detailed programme of action. It decided to collect information on cooperation

facilities available in different countries in order to publish a directory and farmed out certain responsibilities to different news agencies as follows:—

- (i) Coordination amongst the different “distribution centres”—TANJUG.
- (ii) Preparation of inventory of technical facilities and ‘elaboration’ of ‘strategy’ for the same—INA.
- (iii) Feasibility study for collective purchase for press equipment—PRENSA LATINA.
- (iv) Preparation of training programme—AZAP and MENA.

It was decided to hold the next meeting of the Coordination Committee at Kinshasa (Zaire) about the middle of 1977 and the subsequent meeting in Indonesia towards the end of 1977 or early 1978. However, the usefulness of convening further meetings obviously depended on the substance of the work done during the interval.

98. We thus feel the Indian Chairman has to provide a lead in these activities, so that certain programmes get going and there is more action and less of wordy resolutions.

99. The New Delhi Conference also discussed possibilities of cooperation amongst non-aligned countries in respect of other media such as films, radio, TV, literature and arts. The setting up of a Coordination Council, composed of Government level representatives, was suggested as a forum where progress and the problems of these activities could be assessed. The Inter-Governmental Council on Information and Mass Media was formed at the Colombo Summit and consisted of 15 countries, including India, with Tunisia as Chairman. It appears to us that the role and the functions of this Council are still nebulous and overlapping with the Coordination Committee of the News Agencies Pool. We now understand a move has been ini-

tiated by Yugoslavia to create a "pool" for exchange of radio and TV material. This pool may also form its own co-ordination committee. The Council does not also appear to be superior to the Coordination Committee; the one is always to consult the other and both the Committee and the Council have to directly report to the non-aligned hierarchy represented by the Coordinating Bureau of Foreign Ministers which functions during the interval between one Summit and another. In other words, the Co-ordination Committee is still free to draw up and pursue its activities and, in this sense its responsibility is greater than what it would have been if it was merely a subordinate agency of the Council. One meeting of the Council has so far been held, in Tunis in February 1977.

#### **News Exchange Arrangements in Samachar**

100. Before the initiation of the Non-aligned Pool idea, the Samachar relied for the bulk of its international news on Reuter (UK), AP (USA) and AFP (France). In addition, it had bilateral agreements with the following 12 News Agencies; out of these 5 (SIs 8-12) were from Non-aligned countries:

1. TASS (Soviet Union)
2. PAP (Poland)
3. ADN (GDR)
4. CETEKA (Czechoslovakia)
5. KYODO (Japan)
6. AGERPRESS (Romania)
7. ANSA (Italy)
8. PRENSA LATINA (Cuba)
9. ANTARA (Indonesia)

10. VNA (Vietnam)
11. TANJUG (Yugoslavia)
12. BSS (Bangladesh)

After the New Delhi Conference in July, 1977 and the acceptance of the News-Agencies Pool scheme, the Samachar started "arrangements" for exchange of news with the following 9 News Agencies from the non-aligned world:

1. QNA (Qatar)
2. INA (Iraq)
3. SUNA (Sudan)
4. ALPRESS (Algeria)
5. MAPRESS (Morocco)
6. KNA (Kenya)
7. ENA (Ethiopia)
8. ZANA (Zambia)
9. BERNAMA (Malaysia)

In course of the year 1976-77, "arrangements" were started with another 7 News Agencies of non-aligned countries:

1. MENA (Egypt)
2. ARNA (Libya)
3. GNA (Ghana)
4. SHIHATA (Tanzania)
5. NOTIMEX (Mexico)
6. RSS (Nepal)
7. SLBC (Sri Lanka)

101. Thus, there now exist arrangements for exchange of news with a total of 16 Agencies and bilateral agreements with 5 Agencies of non-aligned countries. In addition, there are agreements with 7 Agencies from countries other than non-aligned. Thus, arrangements and agreements exist with a total of 28 News Agencies. The activation or the output of these is, however, another matter.

102. The arrangements visualise two-way flow of news on a selective basis between Samachar and these agencies. Samachar has been providing between 300 and 400 words a day to each of its Pool partners, compressing therein four or five news items drawn from its domestic files, as also despatches from its own staff overseas. Samachar and BSS of Bangladesh exchange news on their jointly leased teleprinter link between Calcutta and Dacca, while the Sri Lanka Broadcasting Corporation receives news from Samachar over Samachar's Madras-Colombo teleprinter link. Samachar exchanges news with RSS of Nepal by telegram to and from Kathmandu. To all the other agencies, except VNA, samachar provides news by international telex. VNA is not able to receive telex messages from India. As for incoming news, Samachar picks up some of the fixed hour radio newscasts beamed by VNA, ANTARA, TANJUG, and PRENSA LATINA. Owing to directional and frequency problems, Samachar had been unable to receive newscasts beamed by MENA until the second week of December 1976. Necessary adjustments having been made, there is now better reception and utilisation of MENA casts. Except these, and BSS of Bangladesh and RSS of Nepal, from whom Samachar receives news by teleprinter and telegram respectively, the other agencies are expected to provide news to India by international telex. Among them, ALPRESS of Algeria has recently started sending news on telex. The service is,

however, in French and is being translated into English for use in India.

103. The desired impact of sharing of news with non-aligned countries has not yet been felt. This is partly because the Non-aligned Press Agencies Pool has not yet got going, as explained by us, and partly because during the past one year Samachar itself has been passing through near chaotic conditions in all respects.

104. Our participation in the Pool has not so far come up to the expectations that had been raised when the idea was conceived. We agree in principle to the usefulness of the scheme at this stage but we would recommend a detailed examination of the ways of implementing it in a business-like and prudent fashion. We do not advocate any such activities merely for reasons of international diplomacy. The present scale of expenditure over the News Pool arrangements is of the order of about Rs. 1 lakh per month, about Rs. 85,000 on the use of telex and about Rs. 15,000 on other items. We feel the results are not commensurate, so far, with this scale of expenditure. The working of the scheme should thus be reviewed immediately. We also recommend that the scheme should be assessed again after one year, in the light of the above considerations (including discretion in utilisation of the wordage), and its further prospects judged.

### **Setting up of "News India"**

105. We recommend that the two domestic Agencies should join to set up an organisation for international services which may be named NEWS INDIA.

106. The programme would have several components. First, bilateral agreements as well as arrangements with world agencies should be strengthened and activated. Consultations should take place regarding the use of the wor-

dage, with an eye on promoting increased use of Indian wordage for outside press. Secondly, in the light of the advice of foreign affairs experts, Bureaux should be organised according to a phased scheme in different regions of the world. Thirdly, the Ministry of External Affairs, should come forward as a subscriber to the international services.

107. International news would be drawn by the two domestic Agencies from this special organisation on subscription rates which would take into account the financial commitments of the system as well as the subscription, which in the light of the considerations set out by us, should be made by Government in the Ministry of External Affairs. In addition, it would be open for newspapers to subscribe directly to NEWS INDIA if they wish to draw the full supply of world news on payment of certain charges, provided they are already subscribing to at least one domestic Agency.

108. The cost of setting up international services should be estimated on the basis of a project to be accomplished within a period of 2 years. The requirements would include:

- (i) Purchase of OCS time and other telecom expenses.
- (ii) Subscription to world agencies.
- (iii) Establishment of bureaux in selected world capitals.
- (iv) Expenses over participation in News Agencies Pool of non-aligned countries.
- (v) Expenses over the organisation in India.

The project would have to be carefully drawn up, providing for the contributions to be made, one-time as

well as recurring, from different sources, such as the two domestic agencies and Government.

### **Bureaux and Stringers in Different Regions**

109. Correspondents as well as stringers would have to be established for different regions. For this the following considerations may have to be kept in view:

- (i) Countries and regions of political, economic and cultural importance to India;
- (ii) Neighbouring countries; and
- (iii) Countries with sizeable Indian origin population.

Depending on the requirements, certain places would need Bureaux or whole-time Correspondents, while at certain other places it may be sufficient to have stringers. At present, the Samachar has only 5 Correspondents located in London, New York, Moscow, Kathmandu and Colombo. We would visualise a total of about 25 Correspondent/ Stringer posts to be achieved over a period of 2 years. We would have to give priority to such regions as South-East Asia, Latin America and our neighbouring countries. The selection of these centres would require a careful consideration, keeping in view the resources and the feasibility of output.

### **Subscription by Ministry of External Affairs**

110. We recommend that the Ministry of External Affairs should come forward as a subscriber of the international services we are proposing. The XP Division of the Ministry of External Affairs should confine its transmissions to official news and information and should subscribe to the international services proposed by us which could beam a special Indian news round-up for our Missions in three or four transmissions. These newscasts

could be of a given wordage and could even be selectively prepared for different regions.

111. It will only be appropriate for Government to share this expenditure, since it will equip each Indian Mission with a timely and useful news file which will be of help to their diplomatic as well as commercial wings. Historically speaking, the existing world news agencies have been able to develop only in the context of direct or indirect state support. Reuter was established and grew when Britain was the world's foremost power. Its services were automatically subscribed to by newspapers in countries which were ruled by Britain. AFP also developed when France was an imperial power, and indeed the French Government participated in the share capital and in the board of management of AFP till about a decade ago. The great economic influence of the USA not only in the Americas but also overseas, has had not a little to do with the development of the two agencies, AP and UPI.

### **Conclusion**

112. An organisation on these lines should lay sound foundations for an external news service meeting the special needs of our country.

## CHAPTER VI

### THE STRUCTURE RECOMMENDED

113. We recommend that the Samachar should be dissolved and in its place there should be two news agencies: VARTA and SANDESH. They in turn should set up jointly an organisation for international services which may be called NEWS INDIA. The new arrangement, according to our recommendations should be brought about by Parliament through a charter which should be reviewed after 10 years.

114. The two new agencies will be independent having their separate identity, collecting and disseminating news on their own, with their own teleprinter network and with full freedom to expand in their own sphere.

115. Before we discuss the arrangement in detail, we want to emphasise that we favour more than two news agencies. In fact, we hope that newspapers may come together to organise some more, as they have done in the past. However, the other news agencies, if and when constituted, should be restricted to domestic coverage because we hope that the international news organisation, NEWS INDIA, will one day become a first-class comprehensive world news agency. Any duplication in international field will only divide attention and resources.

116. We have given serious consideration to retention of Samachar as such but we fear that a single news agency may develop monopolistic tendencies, become bureaucratic and sluggish and fall prey to political and

personal pressures. The working of the Samachar, as briefly discussed in Chapter IV, shows how a single news agency can be manipulated by a determined, unscrupulous group.

117. We believe that competition between VARTA and SANDESH will keep both the agencies on their toes. The role of competition has been discussed in Chapter II. Both agencies will offer full-fledged services. The speed and the contents of the one will spur the other to produce quicker and better copy. Newspapers with their own vast network of correspondents will also provide competition to the news agencies we have proposed. We are convinced that the two agencies can cater to the needs of the subscribers better, without in any way affecting security or future of the employees.

118. The evidence before us was that the employees representatives by and large wanted Samachar to continue and the newspaper editors were overwhelmingly for splitting of Samachar into two or more news agencies. The employees' main consideration was the protection of their increased emoluments. And the editors' main consideration was competition between the services. The case was made before us that the status quo ante be restored, that is PTI, UNI, Hindustan Samachar and Samachar Bharati. In our considered opinion that would not be an ideal arrangement because apart from practical difficulties involved in going back to the old set-up, we favour two equal competing news agencies with ample scope for growth in the future.

119. We believe that if these two agencies are organised properly, a subscriber will have the option to buy one or the other news service and will be able to exercise his right to choose and not be at the mercy of a single news

agency. Our belief is that both news agencies will develop such avenues and services as will cover the multifaced activities of the country.

120. The first agency which may be named VARTA will one day provide service in all Indian languages. To begin with, it will offer service in all those languages which command more than half a million circulation of daily newspapers.

121. Taking into account the evidence at our disposal, favouring two competitive English language news agencies, the English service of VARTA can be independently bought by newspapers and this service will be adequate and comprehensive for daily newspapers in English. In other words, two English language services will be available to any paper in any part of India. For example, if a paper in Cochin wants to buy the English news services or one English and one Malayalam, it will have the option to do so.

122. The purpose of having such a multi-lingual news agency will be on the one hand to serve Indian language newspapers and on the other to provide full-fledged service in English which will be competitive to the other agency exclusively in English language. By its very structure this agency will not only hold a position of primacy in Indian languages but provide the choice to pick up material from Indian language service to its English language clientele. For regional news, originating in different areas, the local bureau should send an English version on its trunk services to the bureaux in different regions in their own language or in Hindi (after translation) or in English itself, if they so desire. For the language papers in its own region, the bureau would supply news in the regional language. The Roman script will be used on the teleprinter until teleprinter in that language is available. With the increased

supply of news in the various Indian languages, the demand for English service may perhaps decline one day.

123. Not many newspapers can afford to subscribe to more than one news agency. When the Samachar came into being, a total of 383 papers were subscribing to PTI and UNI (PTI, 201: UNI, 182) but only 81 were subscribing to both. We thus think that we cannot justify two exclusively English news agencies for such a small number. By providing for one agency with an English language service, and another exclusively for English services we think the press would continue to be equipped with more or less the same facilities as they had before PTI and UNI were merged into the Samachar.

### **Varta**

124. The first Agency would be charged with the responsibility for organising and developing Indian language services but would include services in English. This Agency may be named VARTA. For regional news, originating in different areas, the local bureau should send an English version on its trunk services to the bureaux in different regions for being supplied to the papers in those regions in their own language or in Hindi (after translation) or in English itself, if they so desire. For the language papers in its own region, the bureau would supply news in the regional language using Roman script on the teleprinter till teleprinter in that language is available. It would provide news to Akashvani and Doordarshan in regional languages. This Agency should have a concrete programme of developing its services in all major languages adequately over a period of time, and in selected major languages including English over a short period. The languages may be selected on the basis of circulation of daily papers. To begin with, such languages may be taken up as are having a total circula-

tion of more than 5 lakhs in respect of dailies. Being independent, and combining English services, this Agency would also provide a source of 'competition' for the other Agency.

125. Government (P&T Department) should promote the production of teleprinter machines in these languages without insisting on a minimum requirement of 100 machines.

126. In addition to serving the language press, VARTTA should also develop the supply of 'regional' news to papers of regional, provincial or local status. We attach the highest importance to the growth of regional press in all languages, including English. We have brought our these considerations in detail in Chapter II. We recall with approval the observation of the Press Commission (1952-54) on this requirement:

"At present the news agencies are discharging this function mainly in the field of national news and we feel they should extend their efforts in the field of regional news in order to reduce the handicaps that stand in the way of the growth of small newspapers.....What we envisage is that in addition to the service which is now available to all newspapers in the country, Press Trust of India should have supplementary services which would suit the needs of newspapers within a particular region consisting, of course, of more than one State or linguistic area. Such a service may be able to secure clients among a sufficiently large number of newspapers to justify the cost of distribution. An additional service of regional news through the Agency would, in all probability, be welcomed even by newspapers with an extensive organisation of

correspondents while other would be grateful for it and ready to pay for it''.

127. In fact, the Press Commission had gone ahead to recommend that the PTI should revive the type of service which INA had been providing, namely a condensed service of international, national and regional news, all in one, especially for the use of district level newspapers. We consider that this role should be taken on by VARTA.

128. We have noted that news-services to the language press have not developed adequately over the years, even though English services through PTI and UNI did make certain strides. In this context, the initiatives taken by Hindustan Samachar and Samachar Bharati are noteworthy; they pioneered this activity against great odds. However, judged by results, they could not organise themselves into a reasonable feeding service for the language press. The lack of progress in this field, viewed against the richness of Indian languages and the variegated culture of different linguistic regions of the country, is in our view, a serious gap in our press-system. This retards the cultural and political growth of the India society, by denying to different parts of the country channels of self-expression. If we regard newspapers as the medium for full and adequate flow of information, language papers would appear to be the main builders of public opinion and the source of political education for the bulk of the Indian community on whom—rather than merely on the English-reading section—the democratic polity of the country must rest.

129. The number of papers in India in 1975 stood at 12,423, marking an increase by 12.6 per cent over the five-year period 1970—75. During this period the number of language dailies, increased by 129 as against 11 in the case of English dailies. In respect of Weeklies, the

language press showed an increase by 1009 as against 238 of English. The language press is thus full of potential and there is crying need to provide to it a 'quality' support through news-services.

130. English papers, specially of medium size, which may be more interested in regional news, as well as "news from the grass-roots" may prefer to subscribe to the English service of VARTA. Barring news concerning high level political or governmental affairs, news originates in the local language and VARTA would be better fitted to pick it up and also catch its spirit. One witness, a working journalist with acknowledged proficiency both in English and in Hindi, stated that English as well as Indian language papers may find the language correspondent's reportage more dependable in respect of news-worthy events in non-cosmopolitan and local areas. A senior Editor of a non-Hindi newspaper stated before us that "in case a full-fledged Hindi agency could be organised, he would subscribe to it and not to an English agency". He added that he was pleading not for the development of Hindi but for the development of language news service.

131. However, we are of the view that the Indian language papers should be left free to make their choice, although we anticipate most of them would subscribe to the Indian language services and several of them may be subscribing to both the Agencies. It is possible that newspapers of languages having script akin to Devnagari, such as Gujarati or Marathi, may, until they receive the supply of news in their own language, prefer to take the Hindi rather than the English service of the VARTA.

132. We thus visualise VARTA as an Agency with composite aims, namely to serve the language press, the regional press as well as the English Press in Indian

languages and in English to the extent they would prefer its services. We had to explain the role of VARTA at some length in view of the diverse functions proposed to be assigned to it.

### **Sandesh**

133. We recommend that the news agency work in the English language should be organised under one independent body. The infra-structure should be so designed as to make for expansion of the coverage in term of areas and subjects and to achieve high standards of efficiency. The Agency may be named SANDESH.

### **General Bodies**

134. The General Bodies of VARTA and SANDESH would consist of:

- (i) newspaper subscribers;
- (ii) other newspapers with a circulation of 5,000 or above, on payment of an admission fee of Rs. 2,500/- and an annual Membership fee of Rs. 500/-; and
- (iii) Akashvani and Doordarshan after they are converted into autonomous corporations.

The General Bodies of the Agencies would meet every year within 6 month of the close of its own financial year to transact mainly the following business:

- (i) elect representatives out of subscriber-members in the Managing Board;
- (ii) receive and adopt Annual Reports and Accounts; and
- (iii) elect Auditors who will hold office till the next Annual General Meeting.

## **Chief Executives**

135. The highest editorial and managerial functions should be combined in the Chief Editor in each of the two agencies. The Chief Editor would be appointed by the Governing Board concerned. He should be appointed on 5-year contract, with provision of 6 months' notice on either side. The same pattern should be adopted for NEWS INDIA.

## **Structure of the Boards**

136. We visualise the News Agencies performing a national task, rather than supplying a commodity to its customers. The governing boards of news agencies should not thus be controlled totally by persons who may get elected from within, as may happen in a company or in a political body. While an elective component, representing the subscribers, is necessary, the Boards should also represent the diversified interests and talents needed for an efficient and prestigious news organisation. The Press Commission had, therefore, while suggesting a statutory set-up for the PTI recommended that the Chairman should be appointed by the Chief Justice of India and half of the members of the Board should be persons "unconnected with the newspaper industry". These considerations, it must be appreciated are in no way uncomplimentary to the status of newspapermen who run a press body or a news agency. In fact it is just the opposite. Precisely because the entire community depends on the press for its intellectual feed, a press organisation of this type acquires a vital national role and becomes a means to an end. It is therefore necessary that a press organisation is not patterned like a commercial company or a club but as a public institution of great social utility. These considerations impel us to allow a limited scope to the elective principle in the management bodies of the news agencies. These also are the consi-

derations to justify a substantial increase in Government subscription. Again, these are the considerations that would justify an incorporation of the Agencies under an Act of Parliament.

137. We have also carefully considered the extent to which newspaper-subscribers should be given predominant control over the functioning of the news supply agency. The 'cooperative' idea which implies the fusion of the buyer and seller into one entity is normally regarded as an insurance against class-war of any kind and a guarantee for quality. It is sometimes argued that a dominating partnership and management by subscribers themselves would prevent any tendency on the part of agency to commercially exploit the subscribers. Secondly, this may also prevent any decline in standards since the subscribers, as owners, would be interested in quality. We have considered these aspects carefully but we still feel that subscriber-participation beyond a point would not prove useful. The low-key functioning of PTI and UNI is widely attributed to the system of subscriber control.

#### **Governing Board of Varta** प्रामेव जयते

138. The VARTA should be managed by a Governing Board consisting of 13 Members. There should be, at the present stage, 9 elected subscriber-representatives, representing languages as explained in para 124 of this Chapter, provided that there are at least 3 subscribers from the languages. There should be one representative elected by the employees; he must himself be an employee. The Chief Editor, who would also be combining the ultimate managerial functions, would be an ex-officio Member. In addition, the rest of the Members should coopt two persons known for their expertise and distinction in journalism, education, culture, science or economics. The Members should select, from amongst themselves, a

Chairman for the Board who would function not as a wholetimer, but as a honorary Chairman. When the Akashvani and Doordarshan are converted into autonomous corporations, they should also jointly send one representative in the Board. Until then, the head of their News Division should attend Board meetings as an Invitee. The Manager should also attend the meetings as an Invitee. The composition would thus be as follows:

Subscriber-representatives	— 9
Employees' representative	— 1
Co-opted Members	— 2
Chief Editor	— 1
	<hr/>
	13
	<hr/>

### **Governing Board of Sandesh**

139. The Governing Board of SANDESH may also consist of 13 Members. These should include 9 representatives of subscribers provided that at least one representative is taken from big, medium and small newspapers each. Employees should elect one representative to represent them in the Board. In addition, two persons should be coopted on the same principles as in the case of VARTA. The Chief Editor, who would also combine the highest managerial functions, should be an ex-officio Member. The Members should elect one of them as part-time Chairman, as in the case of VARTA. After Akashvani and Doordarshan are converted into autonomous corporations, they should jointly send one representative. Until then, the head of their News Division should attend meetings as an Invitee.

The Manager should also attend the meetings as an invitee. The composition would thus be as follows:

Subscriber-representatives	.. 9
Employees' representatives	.. 1
Co-opted Members	.. 2
Chief Editor	.. 1
	<hr/>
	13

### **Managing Committee of News India**

140. We have recommended that VARTA and SANDESH should jointly create an organisation for international services which may be named NEWS INDIA. We suggest this organisation should be managed by a Managing Committee of 11 persons which should include three representatives from each of the two Boards and their Chief Editors. In addition, it should include two experts whose association may be useful for organizing and running international news services; these persons should be nominated jointly by the two Boards. The Board should select from among themselves a person who may function as Chairman of the Managing Committee of NEWS INDIA in an honorary capacity. The Managing Committee will appoint a Chief Editor who would also be in charge of the managerial functions at the highest level. Representation to Akashvani and Doordarshan should be allowed in the same way as in the case of VARTA and SANDESH. The composition of the Managing Committee would thus be as follows:

Representatives of the two Boards	.. 6
Chief Editors of VARTA and SANDESH	.. 2
Co-opted Members	.. 2
Chief Editor	.. 1
	<hr/>
	11
	<hr/>

## **Tenure**

141. All elected and co-opted Members in the three organisations would have a 2-year tenure.

## **Regional Committees**

142. We also recommend that, in order to maintain close association with the subscribers which is so necessary for keeping up the standard of reporting, Regional Committees of leading editors and news editors may be formed to review the performance of the Agencies continually. The senior office bearers and executives of the Agencies should participate in these discussions and take follow up action.

## **Joint Management of Engineering Services**

143. We visualise an expanding communication network for the Agencies and we consider that there would be an advantage both in investment and in technical supervision if these services are created and maintained jointly by both the Agencies. This may be explored.

## **Implications of Parliamentary Charter**

144. The main purpose of creating the news agency set-up under a statutory charter from the Parliament is three-fold:

- (i) to provide safeguards for the qualitative attributes of objectivity, adequacy and independence.
- (ii) to preserve the structure of the Agencies.
- (iii) to extend statutory protection to the process of conversion of existing agencies into the new set-up.

145. We recommend that in the Act of Parliament provisions should be made to the effect that the collection and dissemination of news would be free from any slant, pres-

sure or interference exerted either by Government authorities or by any other source and that the news coverage would be fully impartial, objective and independent.

### **Interim set-up**

146. An interim agency would have to be created with the responsibility of bringing about the transition from the present set-up to what is proposed. The main tasks which must be completed before the new structure emerges would be:

- (i) Incorporation of the Agencies;
- (ii) Creation of a reasonable membership-base;
- (iii) Division of assets and liabilities;
- (iv) Fitment of personnel; and
- (v) Review of subscription rates.

147. The foremost task would be to incorporate the Agencies by taking over the assets and liabilities of the four Agencies. We recommend that a financial evaluation of the balance-sheets of the four Agencies and the Samachar should, after taking into account the transactions made by Samachar, be made by an expert or a team of experts nominated by Government. This work should be done under the supervision of the interim body suggested by us. The infra-structure would have to be apportioned amongst the three organisations according to their needs and, in addition, a plan for additional requirements prepared. Some organisational effort would be required to create a reasonable membership-base so that at the end of the transitional period a General Body meeting can be convened for election of representatives of subscribers in the Governing Boards. We understand serious complications had been created during the Emergency by placement of different executives and staff for highly irregular and extraneous reasons and the employees of the four Agencies

could never get emotionally integrated. Mutual grievances and the bitterness on the part of many an employee had rendered any thoughts of good performance futile. We appreciate, therefore, that the fitment of personnel would be a meticulous and delicate task which has to be performed to the satisfaction of all concerned. However, the fact that higher scales of pay were granted without reference to the merit or qualifications of the employees would also have to be taken into account. The interim body should also review the subscription rates in accordance with the present scale of operations as well as a planned growth over a short period of time.

148. One of the functions of the interim body will be to select the Chief Editors, keeping in view the complexity and the importance of the task of organising and developing these Agencies on the lines indicated by us.

149. We, therefore, suggest that Government may appoint a small body to effect the transition, as explained above. During this transitional period, steps would also have to be taken to introduce a Bill in the Parliament. We feel these tasks can be completed within a period of 3 months.

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## CHAPTER VII

### FINANCIAL RESOURCES

150. A study of the financial picture of the four News Agencies, PTI, UNI, SB and HS during the preceding four years before their operations were taken over by Samachar, revealed the following position.

151. PTI had a paid-up capital of only Rs. 4.2 lakhs which had been wiped out by losses even before 1969. The Government of India had given loans aggregating to Rs. 55 lakhs to PTI on the following terms:—

Date of Loan	Amount Rs. Lakhs	Rate of interest per annum	Repayable in equal annual instalments over
18-3-1968	12	6%	12 years
14-3-1969	12	6%	12 years
1-8-1969	20	7%	12 years
2-2-1970	11	7%	12 years

The other principal sources of funds for the PTI were loans, cash credits and overdrafts from banks and staff gratuity funds in addition to trade creditors. The entire operations of PTI were thus carried on borrowed funds at the risk of third parties and more particularly of that of the employees, liabilities to whom were unsecured. The losses incurred by PTI were progressively on the increase from year to year during the period of four years. As on 31st December, 1975, the accumulated losses were more than

Rs. 36 lakhs. For the year ended on that date, the loss on the news agency business alone was of the order of Rs. 28 lakhs, while the income from property was of the order of Rs. 13 lakhs resulting in a net loss of Rs. 15 lakhs for the year.

152. UNI had also a meagre share capital of Rs. 3.5 lakhs. If the liabilities against suits filed by the employees for which provisions had not been made in the accounts, were taken into account, UNI had also lost its entire share capital even in 1972. Its principal sources of funds were trade creditors, loans, cash credits and overdrafts from banks and staff gratuity funds. UNI's operations, therefore, were also carried on borrowed funds at the risk of third parties and its employees. While UNI sustained losses during 1972, 1973 and 1974, it just managed to break-even in 1975.

153. Samachar Bharati (SB) had the highest capital, namely, Rs. 26.4 lakhs. However, it has also not been able to carry on its operations without losses. By 1975, it had also lost its entire capital.

154. Hindustan Samachar (HS) had a share capital of Rs. 1.5 lakhs. Its accumulated losses upto 31st March, 1976 exceeded Rs. 6 lakhs.

155. It is evident that, while the two smaller news agencies that were started with the laudable objective of providing a needed service to the Hindi press in the country, had been struggling pathetically for existence, the two major units, namely, PTI and UNI, were also not viable even in relation to such scale of operations as they had achieved by the time their operations were taken over by Samachar. The actual figures depicting the financial positions and the results of operations of the four news agencies preceding their take-over by Samachar are given in Appendices VI—IX.

156. Samachar came into being on January 24, 1976. Credit line "Samachar" started appearing in the newspapers from February 1, 1976 following an agreement signed by Samachar with the four erstwhile news agencies, with the objective of merging them into a single news agency. Unified functioning of Samachar, however, came into effect from April 2, 1976. The four agencies gave a power of Attorney to Samachar to transact all business on their behalf. General bodies of the agencies approved of this subsequently. From April 1976 only Samachar Service has been going to subscribers and all billing is done by Samachar.

157. The accounts of PTI, UNI and Samachar Bharati for the period of 3 months upto 31st March, 1976 have not yet been finalised. It is estimated that during this period, a further loss of about Rs. 3 lakhs would have been incurred by these agencies. Liquidation proceedings for all the four agencies were commenced.

158. Samachar has not so far prepared its Balance Sheet, its accounts being incomplete, on a cash basis so far expenditure is concerned, and in a confused state. The statement of accounts presented to this Committee contained many inaccuracies on scrutiny of some major items. On the basis of information and explanations obtained from Samachar, its financial condition and the result of operations have been assessed. Samachar borrowed funds from a nationalised bank and acquired more than 80 per cent shares of all the four agencies. The shares of PTI, UNI and Hindustan Samachar were acquired at the face value of their shares while those of Samachar Bharati were free of cost. Samachar has no capital of its own and carries on its operations in the same way as the erstwhile news agencies did, at the risk of third parties and employees. It is also conducting its affairs at a substantial loss and its financial condition is precarious.

159. At the time of the merger of operations into a unified agency the subscribers were:

PTI	201
UNI	182
HS	66
SB	27

Common subscribers to PTI and UNI were 81 and to HS and SB, 13. Subscription for Samachar was fixed on the basis of combined subscription to the erstwhile agencies by the respective subscribers. That is to say, a subscriber who availed the service of PTI, UNI, SB and HS would have to pay Samachar the combined subscription for all the four erstwhile news services. Where only three or two services were taken, the subscription would be the total of subscriptions for the three or two services concerned. Where only a single agency has been giving the news, the subscription would be the payment to that agency only. Thus a subscriber who earlier availed the service of only one agency stands to benefit the most, as he receives the same news service of Samachar, as the one who pays a combined subscription of two agencies such as the PTI and UNI or the SB and HS. An additional surcharge of 10 per cent is also being levied on the above subscription. In respect of the Indian language service, a revision of the basic rates of subscription was also made resulting in substantial increases to the subscribers of this service. Samachar claims that it has reorganised the Hindi Wing and recruited more staff for this purpose and is now offering a complete service to the subscribers. It is further claimed that many Hindi papers which were earlier taking the English service have now switched over to the Hindi service. A Marathi service has also been launched recently.

160. The operating results, however, present a very gloomy picture. The total subscription revenue earned

by Samachar for the year ended on 31st March, 1977 amounted to almost the same figure, as the combined subscription revenues of the four erstwhile news agencies for the year immediately preceding the date of merger, in spite of the increase in subscription rates as indicated earlier. The reduction in Akashvani's subscription during this year by about Rs. 7 lakhs alone did not adequately explain this phenomenon.

161. The employees of Samachar had been given the scales of pay applicable to Class I news agencies which resulted in very substantial benefits to all employees of the erstwhile news agencies, who had become the employees of Samachar on merger. The employees of Samachar Bharati and Hindustan Samachar in particular received the maximum benefit. Certain other perquisites such as house rent, medical facilities, leave travel concession and group insurance have also been made available to employees. The benefit of interim relief recommended to working journalists by the recent Wage Board has also been extended to the employees of Samachar. As a result of these decisions, the financial burden on the unified news agency amounted to nearly Rs. 50 lakhs per annum, at the current level of the number of employees. While an *ad hoc* grant of Rs. 50 lakhs was given to Samachar by the Government of India during the year 1976-77, the full implications of these decisions on the viability of the unified news agency, obviously had not been kept in view and/or properly provided for.

162. Following the decisions taken by the Conference of Information Ministers of Non-aligned Countries held in New Delhi in July 1976, confirmed by the Summit Conference of Non-aligned countries held in Colombo in August 1976, Samachar entered into arrangements with a number of news agencies of those countries which has resulted in an additional expenditure of about Rs. 12 lakhs per annum, principally on account of telex bills.

Samachar did not also reduce its expenses on other items to any significant extent on the merger of the four erstwhile agencies.

163. Thus, the news agency operations of Samachar resulted in a net loss of the order of Rs. 50 lakhs during the year 1976-77 which was matched by a grant by the Government of India. What remained was only the net income from property amounting to Rs. 12 lakhs. The estimates for the current financial year ending on 31st March, 1978 which reflect the full impact of the various decisions indicated above, reveal a deficit of Rs. 90 lakhs on the news agency operations, while the income from property will remain at the same level of Rs. 12 lakhs. It is surprising that such a unified news agency came into being without any capital of its own or even plans to establish a reasonable capital structure and conduct of its operation as a viable unit.

164. The figures reflecting the financial position and the operating results of Samachar are given in Appendices X to XII. At the current levels of operations and subscription rates, the Foreign News Wing, the Hindi News Wing and the English News Wing, would have to raise additional annual revenue of the order of Rs. 38, 18 and 34 lakhs respectively while the income from property amounts to Rs. 12 lakhs per annum. At the end of the current financial year ending on 31st March, 1978, the accumulated liabilities of Samachar would be of the order of Rs. 200 lakhs as follows:

	<i>Rs. Lakhs</i>
(a) Revenue deficit upto 31-3-1977	17
(b) Revenue deficit for 1977-78	78
(c) Staff gratuity liabilities to be funded	75
(d) Working Funds	30
	<hr/>
	200
	<hr/>

165. We have recommended in Chapter VI the dissolution of Samachar and the establishment, under an Act of Parliament, of two independent news agencies which together will own an organisation dealing with international news supply. We would view the question of financial viability of these agencies not only in relation to the present scale of operations but also in relation to the need for making up the tremendous inadequacy of the present news coverage in India. The Indian press, which term includes language press as well as regional and local newspapers, must reflect all aspects of Indian life and the activities going apace in all areas and amongst all sections of the population. In order to serve as an opinion base for a live democracy, the press must rise above its present somewhat exclusive character. We are the largest democracy but our news agency is not even amongst the top 15 agencies of the world. We have about 150 class I cities, with population exceeding 1 lakh and in some cases with a population between 5 lakhs to 10 lakhs, but the intense activities in these areas are not fully covered. Even after the merger of 4 agencies the total number of bureaux is only 93 as against 364 districts in the country. The news agency system, therefore, should not only have current viability but should also be potentially viable, that is in a position to plan its growth according to the needs of the country which are high. We have also to reckon with the need, in modern times, of rapidly developing technical facilities for collection and release of news. If the aim is to reach out to all areas, we would have to plan for communication facilities and technological improvements. These would require continual investment.

166. The organisation recommended for dealing with international news supply, NEWS INDIA, would provide a two-way traffic by covering the national news of India abroad through agreements and other arrangements and would collect for the domestic agencies news from different countries through subscriptions to world agencies,

through an increasing number of its own bureaux in different regions of the world, through bilateral agreements and other arrangements. As already recommended by us, the Ministry of External Affairs should draw its news requirements from this organisation, NEWS INDIA, for feeding the Indian Missions abroad, except for purely official information which may continue to go on the customary ISI transmission. NEWS INDIA will feed both VARTA and SANDESH, the domestic news agencies, so that a newspaper subscriber can buy a unified service, national as well as international news at convenient rates from a single source. However, for an enhanced degree of world news, it should be open for a newspaper to subscribe directly to NEWS INDIA on somewhat higher rates of subscription.

167. Presently, Samachar has staff correspondents only in five foreign centres, namely, Moscow, London, New York, Colombo and Kathmandu and six string correspondents in six other foreign cities. There is need for additional funds of the order of Rs. 38 lakhs under this wing of SAMACHAR even at the current scale of operation. It is proposed to send out a number of correspondents abroad mostly in South-East Asia and West Asia. Under the scheme recommended by us for NEWS INDIA, an additional outlay of about Rs. 60 lakhs per annum would be necessary. We recommend that the commitments over this agency should be shared by VARTA and SANDESH in equal proportions.

168. We have recommended that VARTA will aim at news supply to the Indian language press of the country in different regions. It will also provide a news service in English for such Indian language as well as English papers as would prefer this. This agency will have a concrete programme of developing its services in all languages adequately, over a period of time and in major languages immediately. Being independent and combining

English services, it would provide a source of competition for the English Agency. It is envisaged that VARTA may have to operate necessarily at a higher loss than that of SANDESH for several years to come.

169. We envisage that SANDESH will have operations roughly corresponding to those of the English Wing of existing Samachar. Under the new set up the SANDESH may require additional revenue of the order of Rs. 30 to 35 lakhs per annum at current subscription rates of Samachar, in addition to its share in the expenditure over NEWS INDIA. In paras 146-147 we have recommended a fresh look to be given at newspapers' subscription rates by the Interim Body. The Interim Body should review the subscription rates of the newspapers taking into account the considerations already set out by us and fix subscription rates which should be equitable and at the same time in consonance with the requirements.

170. The combined additional annual revenue of the news agencies we have recommended for the future may have to be of the order of Rs. 170 lakhs at the current rates of subscription. It is necessary to make adequate provisions for it.

171. We feel that the subscriptions from Akashvani and Doordarshan shall have to be a vital element in the news agencies' viability. This is so in several countries and considering the status and structure of the Indian press, it would be more so in India. We are also convinced that the present rates of subscription by these Government agencies are totally inadequate. We are, therefore, encouraged to make a recommendation regarding adequate scale of payments of the Akashvani and the Doordarshan.

172. The All India Radio's (AIR) subscription in the past appears to have been a kind of bargaining counter between Government and the news agencies. It has not

been stabilised on any rational basis. The evidence placed before us by several witnesses states that the rates of subscription paid by AIR have been inadequate both in relation to the services rendered and the genuine requirements of the news agencies.

173. The AIR started subscribing to the PTI in 1949. During the period 1962 to 1967 the Government, we understand, followed the principle that their subscription "should not substantially exceed 25 per cent of the income from newspapers". During the period 1967 to 1972, there was a slight shift in the principle which was then taken to mean that 25 per cent of the revenue derived by the agencies from newspapers. For the period commencing 1973, Government introduced a refinement in the formula by providing that 1.25 per cent of the licence revenue of the AIR should be paid to PTI and UNI in the ratio of 7:4 as retainer and to this should be added 0.50 per cent for special services, making a total of 1.75 per cent of the licence revenue. The licence revenue was pegged at the level of the year 1973-74, for the subsequent years. As we have already mentioned, Government terminated their contracts with the agencies as part of the 'other methods' employed to make the agencies agree to merger. After the agencies accepted the Samachar bye-line with effect from February 1, 1976, an ad hoc payment of Rs. 2,32,500/- per month is being made. This amounts to an annual subscription of approximately Rs. 28 lakhs. The above order of subscriptions is regarded as inadequate for the genuine needs of the set-up we are proposing, we expect that Government would accept its share of responsibility for this set-up as a national requirement. The above order of payment would also be inadequate in relation to the value of the services which, as we hope, would emerge if the new set-up works efficiently. We suggest that the Akashvani/Doordarshan should pay an annual subscription calculated at the rate of Re. 1 per licensed radio

and Rs. 5 per TV set. We have estimated that, at this rate, the scale of payments may work out to approximately Rs. 198 lakhs for the current year. The subscriptions of the Akashvani and Doordarshan should be allocated to VARTA and SANDESH in the ratio of 60 per cent for VARTA and 40 per cent for SANDESH.

174. It may be recalled that the Press Commission had suggested in 1954 that the AIR should pay at the rate of 10 annas (62 Paise) per radio licence besides the basic charge when the AIR network was much smaller and the cost of providing agency service was much less. The cost of providing the service has gone up enormously during the past 23 years and the recommended rate of Re. 1 per radio licence would not, therefore, be unreasonable under the circumstances. We recommend that this subscription rate should be made applicable from the commencement of the current financial year i.e. 1977-78 in order to meet the deficit indicated in paragraph No. 164.

175. We would further like to emphasise the need to make the subscription payable by Akashvani and Door-darshan in terms of an automatic formula and not in Government's discretion.

176. It should also be ensured that the proposed agencies should also have a sound capital structure. For this purpose, we recommend that all the moneys received as admission fee from the members should be credited to a capital fund of the respective news agencies. In addition, VARTA and SANDESH should be required to transfer a sum of Rs. 10 lakhs from the current revenues to the capital fund till such time that the total capital fund accumulates to Rs. 1 crore in each case. Save as otherwise provided above, they should be required to conduct their operations on a no-profit and no-loss basis.

177. We further recommend that SAMACHAR should immediately acquire the remaining shares of all the four erstwhile news agencies so that their ultimate dissolution may take place at the earliest possible time. On the dissolution of the SAMACHAR, their assets and liabilities should be shared by VARTA and SANDESH in equal proportions.



## CHAPTER VIII

### SUMMARY OF RECOMMENDATIONS

#### **The Role and Functions of News Agencies (Chapter II)**

1. We regard objectivity, adequacy and independence as the three main attributes needed for the news agency system of the country. (Para 15)

2. The news agency system should adequately cover all aspects of the country's life and not merely political events and the news from urban areas. The rich milieu of contemporary Indian life should be fully reflected. (Paras 19-20)

3. Consequently the dissemination of news by the agencies has to take place increasingly through the different Indian languages. (Para 22)

4. Government must follow a self-denying policy of not interfering in any way with the work of news agencies. (Para 23)

5. It is necessary that the news agency system also covers news which is not only outside the orbit of Government functioning but which may imply criticism of authority. It is essential in a democracy that dissent should get adequate coverage. (Para 24)

6. The news agency system should not get identified with any vested interests, economic, social, communal or, political. (Para 25)

7. The news agencies should maintain a high standard of performance which would itself be a protection against interference from outside sources, including Government. (Paras 26-27)

8. News agencies, even during such situations as hostilities or international tensions and disputes, should strive to keep the people informed of the realities of the situation and not confine themselves only to the so-called popular view of events. (Para 31)

9. Different techniques of internal checks and supervision as well as evaluation of the news supplied to the subscribers should be developed by news agencies in order to maintain a high standard of performance. (Para 32)

10. Specialisation should be developed in the reporting system in terms of subject matter and styles of reporting. Expertise should also be promoted to achieve higher ranges of reporting where new and modern techniques of writings should be used. (Para 35)

11. Programmes for professional training of the staff should be organised on an adequate scale. These should include training in managerial functions. (Para 36)

12. Since news reporting is a creative activity, selection of personnel should always be made strictly on merits and there should be opportunities for promotion of talent. (Para 37)

#### **The Formation and Functioning of Samachar (Chapter IV)**

13. An investigation may be made and responsibility fixed for the distortions in the release of news and the loss of credibility of the news-despatches of Samachar which occurred during the period of the Emergency. (Para (78)

**International Services (Chapter V)**

14. There is full potential for India to develop international news services and a beginning must be made. (Para 82)

15. The receipt and utilisation of news from any part of the world must depend entirely on the discretion of India's own news agencies and newspapers. (Para 88)

16. India's continued participation in the news agencies Pool of Non-aligned countries, according to a sound and business-like plan of action, is recommended, but a detailed examination of the way it is being implemented should be made. The results are at present not commensurate with the expenditure being incurred. The scheme as a whole should also be assessed after one year, and its further prospects judged. (Paras 93, 104)

17. An attitude of confrontation or isolation is clearly disfavoured in all documents concerning the Pool. We do not, therefore, approve of the decisions taken by Samachar to cancel its agreements with UPI and DPA as a result of its participation in the Pool. (Para 94)

18. The two domestic agencies should jointly set up an organisation for international services to be named NEWS INDIA. (Para 105)

19. The programme of organising international services would have several components. First, bilateral agreements as well as arrangements with world agencies should be strengthened and activated. Consultations should take place regarding the use of the wordage, with an eye on promoting increased use of Indian wordage for outside press. Secondly, in the light of the advice of

foreign affairs experts, Bureaux should be organised according to a phased scheme in different regions of the world. Thirdly, the Ministry of External Affairs, should come forward as a subscriber to the international services. (Para 106)

20. International news would be drawn by the two domestic Agencies from this special organisation on subscription rates which would take into account the financial commitments of the system as well as the subscription, which in the light of the considerations set out by us, should be made by Government in the Ministry of External Affairs. In addition, it would be open for newspapers to subscribe directly to NEWS INDIA if they wish to draw the full supply of world news on payment of certain charges, provided they are already subscribing to at least one domestic Agency. (Para 107)

21. It is visualised that a total of about 25 Correspondents and stringers may be established over a period of two years. For this, priority may be given to countries and regions of political, economic and cultural importance to India, neighbouring countries and countries with sizeable India origin population. (Para 109)

22. The Ministry of External Affairs (XP Division) should confine its transmission to official news and information only and should subscribe to NEWS INDIA for a special Indian news round-up for the Indian Missions abroad. (Para 110)

### **The Structure Recommended (Chapter VI)**

23. We recommend that the Samachar should be dissolved and in its place there should be two news agencies: VARTA and SANDESH. They in turn should set up jointly an organisation for international services which may be called NEWS INDIA. The whole set-up

should be created under an Act of Parliament which should be reviewed after 10 years. (Para 113)

24. VARTA would be charged with the responsibility for organising and developing Indian language services but would include services in English. For regional news, originating in different areas, the local bureau should send an English version on its trunk services to the bureaux in different regions for being supplied to the papers in those regions in their own language or in Hindi (after translation) or in English itself, if they so desire. For the Indian language papers in its own region, the bureau would supply news in the regional language using Roman script on the teleprinter till teleprinter in that language is available. It would provide news to Akashvani and Doordarshan in regional languages. This Agency should have a concrete programme of developing its services in all major languages adequately, over a period of time, and in selected major languages including English over a short period. The languages may be selected on the basis of circulation of daily papers. To begin with, such languages may be taken up as are having a total circulation of more than 5 lakhs in respect of dailies. Being independent, and combining English services, this Agency would also provide a source of 'competition' for the other Agency. (Para 124)

25. Government (P&T Department) should promote the production of teleprinter machines in Indian languages without insisting on a minimum requirement of 100 machines. (Para 125)

26. In addition to serving the Indian language press, VARTA should also develop the supply of regional news. (Para 126)

27. The news agency work in the English language should be organised under one independent body. The

infra-structure should be so designed as to make for expansion of the coverage in terms of areas and subjects and to achieve high standards of efficiency. The agency may be named SANDESH. (Para 133).

28. The General Bodies of VARTA and SANDESH would consist of:

- (i) newspaper subscribers;
- (ii) other newspapers with a circulation of 5,000 or above, on payment of an admission fee of Rs. 2,500 and an annual membership fee of Rs. 500; and
- (iii) Akashvani and Doordarshan, after they are converted into autonomous corporations.

The General Bodies of the Agencies would meet every year within 6 months of the close of its own financial year to transact mainly the following business:

- (i) elect representatives out of subscriber-members in the Managing Board;
- (ii) receive and adopt Annual Reports and Accounts; and
- (iii) elect Auditors who will hold office till the next Annual General Meeting. (Para 134).

29. The highest editorial, and managerial functions should be combined in the Chief Editor in each of the two agencies. The Chief Editor would be appointed by the Governing Board concerned. He should be appointed on 5-year contract, with provision of 6 months' notice on either side. The same pattern should be adopted for NEWS INDIA. (Para 135).

30. The VARTA should be managed by a Governing Board consisting of 13 Members. There should be, at

the present stage, 9 elected subscriber-representatives, representing languages as explained in para 124 of this Chapter, provided that there are at least 3 subscribers from the language. There should be one representative elected by the employees; he must himself be an employee. The Chief Editor, who would also be combining the ultimate managerial functions, would be an ex-officio Member. In addition, the rest of the Members should co-opt two persons known for their expertise and distinction in journalism, education, culture, science or economics. The Members should select, from amongst themselves a Chairman for the Board who would function not as a whole-timer, but as an honorary Chairman. When the Akashvani and Doordarshan are converted into autonomous corporations, they should also jointly send one representative in the Board. Until then, the head of their News Division should attend Board meetings as an Invitee. The Manager should also attend the meetings as an Invitee. The composition would thus be as follows:

Subscriber-representatives	— 9
Employees' representative	— 1
Co-opted Members	— 2
Chief Editor	— 1
	<hr/>
	13
	<hr/>

(Para 138)

31. The Governing Board of SANDESH may also consist of 13 Members. These should include 9 representatives of subscribers, provided that at least one representative is taken from big, medium and small newspapers each. Employees should elect one representative to represent them in the Board. In addition, two persons should be coopted on the same principles as in the case

of VARTA. The Chief Editor, who would also combine the highest managerial functions, should be an ex-officio Member. The Members should elect one of them as part-time Chairman, as in the case of VARTA. After Akashvani and Doordarshan are converted into autonomous corporations, they should jointly send one representative. Until, then the head of their News Division should attend meetings as an Invitee. The Manager should also attend the meetings as an Invitee. The composition would thus be as follows:

Subscriber-representatives	— 9
Employees' representative	— 1
Co-opted Members	— 2
Chief Editor	— 1
	<hr/>
	13
	<hr/>
	(Para 139)

32. We have recommended that VARTA and SANDESH should jointly create an organisation for international services which may be named NEWS INDIA. We suggest this organisation should be managed by a Managing Committee of 11 persons which should include three representatives from each of the two Boards and their Chief Editors. In addition, it should include the two experts whose association may be useful for organising and running international news services; these persons should be nominated jointly by the two Boards. The Board should select from among themselves a person who may function as Chairman of the Managing Committee of NEWS INDIA in an honorary capacity. The Managing Committee will appoint a Chief Editor who would also be in Charge of the managerial functions at the highest level.

Representation to Akashvani and Doordarshan should be allowed in the same way as in the case of VARTA and SANDESH. The composition of the Managing Committee would thus be as follows:

Representatives of the two Boards	— 6
Chief Editors of VARTA and SANDESH—	2
Co-opted Members	— 2
Chief Editor	— 1
	<hr/>
	11
	<hr/>
	(Para 140)

33. All elected and co-opted Members in the three organisations would have a 2-year tenure. (Para 141)

34. In order to maintain close association with the subscribers which is so necessary for keeping up the standard of reporting; Regional Committees of leading editors and news editors may be formed to review the performance of the Agencies continually. The senior office bearers and executives of the Agencies should participate in these discussions and take follow up action. (Para 142)

35. There would be an advantage both in investment and in technical supervision if communication services are created and maintained jointly by both the Agencies. This may be explored. (Para 143)

36. In the Act of Parliament provisions should be made to the effect that the collection and dissemination of news would be free from any slant, pressure or interference exerted either by Government authorities or by any other source and that the news coverage would be fully impartial, objective and independent. (Para 145)

37. An interim body would have to be created with the responsibility of bringing about the transition from the present set up to what is proposed. The main tasks which must be completed before the new structure emerges would be:

- (i) Incorporation of the Agencies;
- (ii) Creation of a reasonable membership-base;
- (iii) Division of assets and liabilities;
- (iv) Fitment of personnel; and
- (v) Review of subscription rates.

(Para 146)

38. One of the functions of the interim body will be to select the Chief Editors, keeping in view the complexity and the importance of the task of organising and developing these Agencies on the lines indicated in the Report. (Para 148)

39. Government may appoint a small body to effect the transition, as explained above. During this transitional period, steps would also have to be taken to introduce a Bill in the Parliament. We feel these tasks can be completed within a period of 3 months. (Para 149)

### **Financial Resources (Chapter VII)**

40. The expenditure over NEWS INDIA should be shared in equal proportion by VARTA and SANDESH. (Para 167)

41. We envisage that SANDESH will have operations roughly corresponding to those of the English Wing of the existing Samachar. Under the new set-up, the SANDESH may require additional revenue of the order of Rs. 30 to 35 lakhs per annum at current sub-

scription rates of Samachar, in addition to its share in the expenditure over NEWS INDIA. The combined additional annual revenue of the news agencies we have recommended for the future may have to be of the order of Rs. 170 lakhs at the current rates of subscription. It is necessary to make adequate provisions for it. (Paras 169-170).

42. Akashvani/Doordarshan should pay an annual subscription at the rate of Re. 1/- per licenced radio set and Rs. 5/-per licenced TV set. (Para 173)

43. The subscriptions of Akashvani and Doordarshan should be allocated to VARTA and SANDESH in the ratio of 60 per cent for VARTA and 40 per cent for SANDESH. (Para 173)

44. The above subscription rates should be made applicable from the commencement of the current financial year 1977-78, in order to meet the deficit. (Para 174).

45. The subscription payable by Akashvani and Doordarshan should be in terms of an automatic formula and not at Government's discretion. (Para 175)

46. It should be ensured that the proposed agencies have a sound capital structure. For this purpose, all the moneys received as admission fee from the members should be credited to a capital fund of the respective news agencies. In addition, VARTA and SANDESH should be required to transfer a sum of Rs. 10 lakhs from the current revenues to the capital fund till such time that the total capital fund accumulates to Rs. 1 crore in each case. Save as otherwise provided above, they should be required to conduct their operations on a no-profit and no-loss basis. (Para 176)

47. The remaining shares of all the four erstwhile news agencies should be acquired so that their ultimate dissolution may take place at the earliest possible time. On the dissolution of the SAMACHAR their assets and liabilities should be shared by VARTA and SANDESH in equal proportions. (Para 177).

Sd/- KULDIP NAYAR

Sd/- D. R. MANKEKAR

C. R. IRANI\*

Sd/- A. K. SARKAR  
(subject to note of dissent)

Sd/- K. R. MALKANI

Sd/- RAHUL BARPUTE

ISHRAT ALI SIDDIQUI \*

Sd/- K. CHATHUNNI MASTER  
(subject to note of dissent)

Sd/- NIKHIL CHAKRAVARTTY

Sd/- S. G. MUNAGEKAR

Sd/- R. RAJAGOPALAN

Sd/- L. DAYAL

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\*Note of Dissent included in the Report at p. 94

\*Note included in the Report at page No. 114.

NOTE OF DISSENT BY SHRI C. R. IRANI  
AND SHRI A. K. SARKAR

CHAPTER I—No COMMENT.

CHAPTER II—THE ROLE AND FUNCTIONS OF NEWS AGENCIES:

This Chapter enumerates the alleged deficiencies in news coverage before Samachar came on the scene and sets out the objectives that the new system of news agencies should set for itself. The deficiencies briefly are: the "neglect of the social and economic changes" and "not fully" reflecting the "rich milieu of contemporary Indian life" (para 19). There is no comprehensive focus on the "rural scene" which a "news agency with relevance to society" should have (para 20). The "danger of duplication and inadequacy of coverage" which is supposed to result is blamed on the fact that "the task was left to the enterprise and resources of individual newspapers" (para 29).

To quote these examples is to show how sadly the Report is carried away by verbal gymnastics without any proper comprehension of how dangerous such phrases can be in the hands of people with little regard for basic human rights, particularly the right of free expression, and who can easily use these catch phrases to justify systems of supervision, if not control, on behalf of "society". Particularly disturbing is the call to 'cover' "different tiers of the social hierarchy" and to complain that these "classes", meaning different classes and social groups in rural areas, should have "their life and living, their problems and aspirations" etc. covered by a news agency on the specious ground that they constitute the vast majority of the people of the country. We need to remind ourselves that the argument is not about the poverty of our villages, the paucity of rural roads, or the setting up of rural enterprises where one would expect such language to be used.

The way has been left open for a future tyrant and despot to attempt to muzzle the news agency network and indeed, the newspapers in the country, on these very same specious grounds. It seems that no account has been taken in writing this part of the Report of our own sad experience in the recent past.

What is suggested in its place? The high aim of a news agency apparently is to function as "the spirit which informs the structure and contents of the press" (para 14). The spirit of the press, it must be stressed, is the wide variety of newspapers and magazines and the freedom to dissent without fear of consequences. Again, in the same para 14, a news agency is elevated to being "the source" through which freedom of the press is maintained. Freedom of the press, let it be noted, is best maintained by the degree of dissent permitted and dissent, in essence, is the expression of a point of view which should have as little as possible to do with the reporting of news and it is only the latter which is the proper function of a news agency. Para 16 even calls for a "sense of proportion" by the news agency in disseminating different points of view. I take the strongest exception to vesting the news agency with attributes of this kind. To cap the irony, the "sense of proportion" in reflecting different points of view is demanded in a paragraph entitled "Objectivity".

A news agency is even called upon to "mould public opinion". With great respect, this is no function of an agency. In para 24 there is a passing bow made to "the need for dissent in a democracy". 'Dissent' is too strong a word to use to describe the gathering together of different views on a single event or development which any news agency worth its name would try to report. To change the metaphor constantly does not help matters. Para 30 "underlines social responsibility in the building

and functioning of a news agency system''. It is phrases of this kind which continue to attract the attentions of people with sinister designs on our basic liberties and it is a thousand pities that language like this permeates the entire Report.

To show how difficult it has been for the Report to get out of the clichés and phraseology of the past, it is only necessary to refer to para 31 which calls upon news agencies to "support the process of social change", and to dismiss the pioneering role of our newspapers is setting up what were, until they were taken over, two worthwhile news agencies, as having resulted only in duplication and inadequacy of coverage. To talk of inadequacy is misleading. A great deal has been made elsewhere in the Report of the number of cities we have, the size of our population, the urban centres we have and so forth, and to infer from these meaningless statistics a total inadequacy of coverage. It is forgotten that India is a country of inadequacies. What is one to say of the inadequacy of drinking water in our villages, and the inadequacy of two square meals a day for our people, and why is it necessary to ensure that only news agency coverage is adequate to the country's requirements, whatever these are supposed to be. As for the complaint of duplication, all I would like to say is that the Report mistakes a healthy system of competition for duplication in the interests of preconceived ideas and in spite of the benefit of overwhelming and categorical evidence available to the Committee on this point.

The ground has been prepared in this chapter to justify recommendations to come later which deny competition, which provide feather-bedding to inefficient and unqualified employees, and pass on the resultant burden to the favourite hobby-horse—the newspapers. for preference the larger newspapers. Para 34, for example, dismisses

in two sentences the need for competition and the need for news agencies to be kept on their toes. Para 36 appears to suggest that training programmes will result in the "casting away" of deadwood in the enterprise. I make no comment on the desirability or otherwise of appropriate legislation, but to say that in the newspaper world even more than in other spheres of activity any deadwood can be cast away at all is to seriously mislead any reader of the Report. To suggest that training can do so is to miss the point altogether.

### CHAPTER III—NEWS AGENCIES—ORIGIN AND GROWTH:

My only comment here is to underline the role of UNI in paras 47 and 48 of this chapter. I would like to stress for use later the quotation from the Press Commission's Report of the need to have "at least two news agencies each competing with the other and also acting as a corrective to the other" (underlining mine).

### CHAPTER IV—FORMATION AND FUNCTIONING OF SAMACHAR:

In my judgment, para 62 is misleading and is a wrong reading of the evidence placed before us. In the anxiety to show that a single monopoly agency is a good thing, reliance is placed on the evidence of two journalists "who had themselves suffered during the Emergency". The two journalists are Mr. C. Raghavan and Mr. V. P. Ramachandran. Of the two, it has been forgotten that Mr. Raghavan's view was that we should have two agencies "if we can afford them" and under questioning from me he agreed that a single agency was no guarantee of efficiency either in terms of quality of news coverage or the rate of subscriptions to newspapers. Indeed, he agreed that the experience so far pointed to the view that a single agency was more likely to hold its subscribers to ransom. I regret that the overwhelming evidence in favour of two competing news agencies in the English

language does not appear to feature in this paragraph of the Report.

In para 77, once again the ground is sought to be prepared for the recommendation which in essence is the continuance of Samachar by saying, almost in passing, that it is quite possible for the establishment "to manipulate the working of all the four agencies, as indeed it manipulated a whole lot of newspapers". Nothing turns on this comment and in no sense does it represent any answer to the basic proposition which must stand that, other things being equal, it is easier to manipulate a single agency rather than two or more. Apart from the unanswerable proposition in logic, the majority view in this paragraph also seems to ignore the lessons of our recent experience. It is agreed on all hands that Samachar was formed in order to subvert the independence and high professional standing achieved by the erstwhile PTI and UNI. The white paper recently presented to Parliament discloses that the decision to force the existing agencies into a single unit (i.e. Samachar) was taken at the level of the then Prime Minister herself. It is to deny Mrs. Gandhi and Mr. V. C. Shukla the necessary degree of intelligence to suggest that they brought about a single agency for any other purpose except to obtain easier and more direct control.

#### CHAPTER V—INTERNATIONAL SERVICES:

I must record at the outset that no proper discussion has taken place on the very important question of our participation in the non-aligned news agencies pool and no assessment has been made of the benefits that we are supposed to derive from such participation. The only fact placed before the Committee was the rather startling one that while the exchange of agency services with some countries of the so-called non-aligned world has been

of "a very limited extent", it has nevertheless cost us Rs. 1 lakh per month, of which 85 per cent has been on the use of telex facilities! To suggest that a viable news agency network can be built by exchanging information on the highly expensive international telex service is to disregard all accepted canons of cost-consciousness and this can only be done in situations where governments, for reasons which are not difficult to gauge, are prepared to underwrite such operations irrespective of cost.

The Report appears to quote with approval our participation in the New Delhi conference of non-aligned countries during the Emergency. The then Prime Minister, Mrs. Indira Gandhi, criticised the western media, particularly the international news agencies, for not appreciating her Emergency and the great advances the country was supposed to have made thereunder. At the same time, she complimented the developing countries for being so co-operative and understanding the position. To use her own words, in her opening address to the Conference she said,

"The western media interpreted it (the Emergency) as an onslaught on democracy or an abrogation of our Constitution which was not at all correct. Most, if not all, developing countries understood the position."

Further comment is superfluous except that the Committee strangely declined to come to grips with this problem. In my view, participation in the news agencies pool is more a problem of foreign policy than a problem of the media. The ambiguity in this chapter of the Report is due largely to the failure of the majority to recognise this, and further to recognise that in our capacity as expert members from the media it is no part of our business to take into account India's foreign policy considerations. This is the reason for the conclusion, without discussion, without analysis,

and without any basis in fact to support it, that "India's continued participation in the pool.....would be to the advantage of the country's press and consistent with India's well-accepted position in the non-aligned community" (para 93).

The basic issue has not been grasped. The real aim, whether stated or not, is that we would like to see a greater reflection of news from our part of the world in the newspapers and the media of the developed countries. Whilst there is nothing wrong with this hope, the two consequences that follow are not properly understood. The first is that the objective cannot be achieved by simply insisting on a certain predetermined wordage being "taken" by the developed countries. It would be no satisfaction to us to be told that Reuters, AFP, UPI, etc. have agreed to take, say, 50,000 words of News India every day unless this news is published in the media in those countries. If this proposition is accepted, then it must follow that short of some international agreement that the media in all countries must and shall take a certain predetermined proportion of wordage from other countries (and, heaven forbid, that any such ideas should occur to anybody!), the objective will remain an idle dream and is certainly not worth the vast sums of money spent on the exercise.

The second major point often lost sight of is that even assuming that there is a willingness to exchange news in this fashion, there is great inadequacy of the necessary technical capability. I rely on the wording used to make this point in para 89 of the Report, but it is this aspect that needs to be stressed and here all possible international assistance should be sought. In the absence of cheap and efficient channels of communication, to argue for a broader and wider exchange of news between the news agencies of the world is to argue the case for a vast increase in the number of fast motor-cars to link our villages. The missing element in this argument is the inadequacy of roads.

The missing element in the argument about news agencies is the absence of the necessary technical facilities.

This argument applies with even greater force to the ancillary objective—the exchange of news files among developing countries. In my submission, we should take a good hard look at the agencies with which we are at present exchanging a news file and consider very carefully whether the cost is worthwhile. In para 100 a list is given of such countries with whom agreements have been extended recently. Of the 28 countries in the list, only Japan and, perhaps, Mexico fit our concept of countries which stand by the basic and universally accepted standards of a free and independent press. Nor should we contemplate with equanimity the provision made in the exchange agreements so far that there is no compulsion in using the wordage and this is merely an exchange of the news file. It is even more dangerous to accept without question that it is only government news items from the other agencies which are suspect. These agencies are experts in the art of propaganda and are unlikely to put us on warning as to which news items are inspired by their governments and are, therefore, less than fully credible.

I have the strongest objection to the proposals contained in para 106 and 107 relating to News India, the proposed international news agency arrangement. It is bad enough to have this service hopelessly dependent for the bulk of its revenue on the Ministry of External Affairs; it is much worse to suggest, as the Report does, that the "advice of foreign affairs experts" should be sought in deciding where to open new bureaux. Nor do I think that the External Affairs Ministry requires any advice from this very cumbersome agency in what is the Ministry's primary task—the projection of the Indian government's views abroad. The distinction between the Indian government's views and the service of an independent news agency is being lost sight of here and this will be entirely to the detriment of News India's credibility.

In para 107 it is provided that the service received by News India from the international news agencies may only be available to newspapers "provided they are already subscribing to at least one domestic agency". This recommendation is unfair, unwise and I charge that it has been made without any discussion. No arguments have been advanced and indeed, none exist, why such an unfair burden should be imposed on subscribing newspapers. Once it is accepted, as the Report does, that there will be three separate news agency functions—(i) the English language service, (ii) the Indian language service, and (iii) the international service—there is no warrant for the conclusion that the third service should be made dependent on subscription to one of the other two. In my view, this anticipates the unworkability of the recommendations in the Report of setting up VARTA and SANDESH. If the majority are so confident that Varta and Sandesh will provide a first rate service, then newspapers will require no such extraneous inducement or pressure to subscribe to one or the other, or both.

Perhaps the key to this whole chapter is contained in the single sentence in para 112, which talks of laying "sound foundations for an external news service meeting the special needs of our country". It is not unpatriotic to point out that it is not the function of this Committee to look at the country's needs as a whole; our government should be quite capable of doing this. Our concern must be with the country's press and it has not been shown, except through the method of high-sounding platitudes, that the setting up of News India is really the most effective way in which the press of this country can be served with international news.

## CHAPTER VI—THE STRUCTURE RECOMMENDED:

First, to dismiss a prevailing misconception. Para 123 appears to labour the point that the news agency set-up

recommended will equip the press "with more or less the same facilities as they had before PTI and UNI were merged into Samachar". The short answer is that if these facilities are desirable, as the language of the paragraph appears to suggest, then nothing prevented the Committee from making such a recommendation. To go on to recommend a set-up which is cumbersome, expensive and based on 'hopes and aspirations' rather than on realities and which is very far from restoring the facilities as they existed before, is to concede the argument against the set-up recommended. It is stated that PTI had 201 subscribers and UNI had 182, with, only 81 of them subscribing to both. Hence, the conclusion that "we cannot justify two exclusively English news agencies for such a small number" In the first place, the evidence before us was overwhelming that even those who continued to subscribe to PTI alone after the birth of UNI found that the existence of UNI had spurred PTI to better service. Secondly, no one has suggested two exclusively English news agencies. What was suggested was two commercially competing news agencies primarily in the English language, for the simple reason that this is the language in which the service is demanded, but with the provision for both to branch into regional languages depending on the demand. Instead, we have a set-up recommended which takes no account of realities.

What is this set-up, shorn of wishful thinking and pious exhortations? The existing set-up of Samachar will continue under the name Sandesh with the loss only of the highly expensive Hindi wing which has, admittedly, made great strides in the last few months. Unfortunately, the strides have been in the direction of greatly increasing its costs and operating expenses and not in the direction of revenue received from subscriber newspapers. This Hindi wing is to become the nucleus of the new agency, Varta. It is stressed repeatedly throughout the Report that Varta will be an agency in all the Indian languages. It is hoped that the service will be started in a new language when

three newspapers, irrespective of size, want the service in that language. In the discussions at the last meeting preceding the Draft Report, it was also argued by the majority that place must be found in the governing body of this agency for as many as 9 of the 16 Indian languages noted in the Constitution of our country. The Draft Report as presented to me has all these provisions carefully cut out. The alternative really is between all the 16 major languages being represented round the governing body table—the modern version of the Tower of Babel—or the agency remaining predominantly a Hindi language one.

After everything is conceded, including the point that the Hindi language is given a place in the Constitution of India, the argument has not been answered that in terms of newspaper subscriptions (Rs. 11 lakhs a year according to the Report), a separate Hindi agency is not viable today and is not going to be viable in the fairly distant future. Further, it takes no account whatever of the overwhelming evidence from major and minor newspapers published in the various Indian languages that they would rather have service in English than have translations from Hindi into the various Indian languages. The grave disadvantage to the other language groups sought to be perpetuated in this Report cannot be wished away by the bland assurance that the trunk routes will operate in English and/or in Hindi. The Report will soon be forgotten and the trunk routes will be in Hindi. No evidence has been laid before us for the simple reason that no evidence exists that there is any case for a Hindi agency and the matter has been settled, I am afraid, based on statements made by politicians in authority today stressing the role of Hindi in national affairs. Far be it for me to suggest that the Hindi language or, indeed, any other language should be ignored but in a country where resources are limited there is no warrant for imposing such a burden on the newspapers as well as on the national exchequer of what I can only characterise as wishful thinking, if not flights of fancy.

Consider the other contradictions in coming to the conclusions in the Report. Newspapers in general are invited to come together to organise some more news agencies in para 115, but they are told in advance that they can only operate in the sphere of domestic coverage. It is suggested that once News India comes into operation, nobody else should be allowed to encroach on its preserves. It will be a short distance indeed from recommendations of this kind to travel to the conclusion that individual newspapers must also be prevented from having their correspondents deployed overseas. The Report goes on to say that any duplication in the international field will only divide attention and resources. Resources would have been conserved better by restraining both the rhetoric and the imagination in the Report. And what is dubbed as duplication is in fact an investment in competition, which is in direct proportion to credibility.

In para 130 one witness is cited to suggest that "English as well as Indian language newspapers *may* find the language correspondent's reportage more dependable in respect of news-worthy events in non-cosmopolitan and local areas" (underlining mine). This would still apply and indeed have a much better chance of being realised if the two independent and competing news agencies were each allowed to develop an Indian language section. Another witness is quoted as having said that "in case a full-fledged Hindi agency could be organised (he) would subscribe to it and not to an English Agency". These isolated witnesses lend no support to the recommendations. Indeed, they tend to bypass the overwhelming weight of evidence which is that two competing services in English are required by the press in this country. I repeat, no one has been against allowing both agencies to develop Hindi as well as regional language services linked to demand.

Having recommended a set-up which has no element of competition worth the name, a far-fetched idea is incor-

porated in para 142. It is apparently seriously suggested that regional committees of subscribing newspaper editors and news editors meeting occasionally can be an effective substitute for two agencies competing night and day. The rationale for the recommendations is perhaps best found in paras 136 and 147. Para 147 admits that the entire structure has been recommended according to "needs", and para 136 discloses that the structure is essentially to justify a substantial increase in government subscriptions. I regret I am unable to accept this reasoning. There is no warrant for recommending a set-up based on ideas of grandeur which is really what is meant by "needs". No account has been taken of the position of newspapers. Speaking from personal experience, in the not-so-distant past, my newspaper had fulltime staff correspondents stationed in London, Malaysia, Pakistan and Moscow, and senior part-time correspondents in Washington and Hong Kong. On grounds of sheer economic necessity, the paper now makes do with one fulltime correspondent in London and one part-time correspondent in Washington. Would my newspaper be heard to say that we would not cut our coat according to the cloth available, that we could go on merrily increasing the number of fulltime correspondents, the advantages of which no one would seriously dispute, and that somehow it was somebody else's business to foot the bill!

The primary function of a news agency is to serve newspapers and a news agency cannot be disproportionately prosperous compared to the newspapers it serves. The same argument would apply to the fact that Class I salary scales have been given to all employees of Samachar and, for good measures the interim relief has also been provided. No one would have been happier than I if the paying capacity of the agency were such as to make these decisions possible. The operating results of Samachar are disgraceful. Apart from the Rs. 50 lakhs given as grant-in-aid by the Central Government, the operating figures for the

current year expect to show a deficit of Rs. 90 lakhs which, of course, would be cheerfully passed on to the national exchequer. Nothing has been recommended in this Report which will improve this situation, except that the burden on the national exchequer will grow in the years ahead and the virtual absence of competition will ensure that both newspapers and radio and TV will be held to ransom. No serious consideration has been given in the Report to the basic truth that a news agency network cannot flourish unless the newspapers for which the network is primarily intended also flourish. It is not necessary to make any comment on the credibility of such a news agency set-up except to say that experience in the not-too-distant future will act as a shock and a surprise to those who have ignored the fundamental requirements of competence, credibility and efficiency and have merrily gone on to recommend a structure based on fanciful needs without any real regard to the resources available.

## CHAPTER VII—FINANCIAL RESOURCES:

In the anxiety to present the shockingly bad results of Samachar as being nothing very unusual or unexpected, PTI has been shown to have received four loans between March 1968 and February 1970 amounting to a total of Rs. 55 lakhs. The Report does not state, as it should have done, that the loans were obtained only for the purpose of putting up the new building in which PTI and now Samachar are housed, and apart from paying interest at 6 per cent and 7 per cent (which, admittedly, is advantageous) various government departments have, as part of the same transaction, obtained accommodation in the building at highly concessional rents. It must be noted that no part of the sum of Rs. 55 lakhs was given to PTI for the purpose of covering its operational expenses in contrast to the Rs. 50 lakhs already paid out to Samachar and another Rs. 90 lakhs which, no doubt, will be paid shortly.

At page (xxxix) the operating results of the different departments of Samachar are sought to be analysed in order to come to the conclusion that the English language service, the Hindi service, and the foreign service operated on a net deficit of Rs. 28 lakhs, Rs. 12 lakhs and Rs. 38 lakhs respectively. The deficit on the foreign news service is easily disposed of. If we do not appoint a large number of foreign correspondents without proper thought and do not participate in the non-aligned news pool without regard to operating costs, not to speak of credibility, much of the Rs. 38 lakhs deficit would disappear.

The figures of subscriptions received for the English service and the Hindi service are interesting—Rs. 225 lakhs for the former and Rs. 11 lakhs for the latter. It must be noted that the “greatly expanded” Hindi service now produces a gross revenue of about half the direct costs on the staff involved. Staff costs have been apportioned between the two in the ratio of Rs. 175 lakhs for the English service to Rs. 20 lakhs for the Hindi service. To suggest that it cost only Rs. 20 lakhs to provide the Hindi service is misleading. This probably largely represents the cost of staff engaged in translation work without taking full account of the cost of collecting the news. Income from property for Samachar which is received entirely from the new building belonging to the PTI is of the order of Rs. 12 lakhs a year. This has been apportioned equally between the English service and the Hindi service, whereas I can see no reason for such a division. But the division does not even have the merit of consistency. In allocating common expenses, Rs. 88 lakhs have been apportioned to the English service and only Rs. 10 lakhs to the Hindi service. If common income is to be divided equally, common expenses might be treated in a little less discriminatory manner. Nevertheless, even the figures as presented to us do not support the argument that a separate agency for Hindi alone is what the newspapers today require, not to speak of service in other languages where the weight of

evidence is overwhelming that a translation from the Hindi service is looked upon with suspicion. To deny to the bulk of the subscribers what they need here and now in order to pander to the whims of an infinitesimal minority as regards what they might like to have in the dim and distant future is, to say the least, unfair, if not highly discriminatory.

Consider the arguments used to support the case for a separate Indian language agency. We are the largest democracy but our Samachar news agency is not even among the top 15. If this is to be the level of reasoning, then nothing must be done to interfere with Samachar at all because the set-up recommended will result in our finding ourselves a few steps further down the ladder of international ratings. We are told we have 150 Class I cities but the "intense activities" in these areas are not fully covered. Hence, we come to the conclusion that the news agency system is not in accordance with the "needs of the country". In the first place, we should really be concerned, as an experts committee, with the needs of the press. In the second place, it would be easy to argue that in terms of the needs of the country, provision of drinking water and two square meals a day for the vast bulk of our population are higher priorities than a heavily subsidised news service or indeed the projection of India's image abroad.

The revenues and expenses of the Indian language agency Varta, the English language agency Sandesh, and the international service News India and their likely operating deficits are dealt with in paras 167, 168, 169 and 173 of the chapter. We are told that the English language agency, Sandesh, is likely to operate at a loss of Rs. 30 to Rs. 35 lakhs per annum. The figures for Varta are likely to be so frightening that the Report is content simply to say that Varta will operate "at a higher loss than that of Sandesh for several years to come" (para 168). Hence the recommendation that the subscriptions from AIR and TV

should be distributed to Varta and Sandesh in the ratio 60 : 40. I have to say that no analysis has been provided and no arguments have been advanced for this recommendation. The international agency, News India, is, we are told, likely to operate at a deficit of Rs. 60 lakhs per annum. The "ultimate deficit" of this agency would, one may suppose on a parity of reasoning, be shared 60 : 40 between Varta and Sandesh. The Report, however, recommends in para 167 that the deficit should be shared between the two agencies equally. In any event, it means that the burden will be passed on to the subscribers. Once again, no arguments have been advanced for these recommendations.

In every sense Sandesh is the successor to PTI. And yet, without argument and without reasoning, it is suggested that on dissolution of Samachar all assets and liabilities should be shared by Varta and Sandesh in equal proportions. I want to clarify that the only worthwhile asset of Samachar is the PTI building in New Delhi, while liabilities are enormous largely on account of the operation of the Hindi service and inflated staff costs.

In para 176 a recommendation has been made which I support—that the subscription payable by radio and TV should be on the basis of an automatic formula and not subject to the vagaries of year-to-year budget allocations. However, it is not understood what would happen after radio and TV become autonomous. This aspect should have received greater consideration.

## CONCLUSIONS

### *I. Likely consequences of Recommendations:*

1. The news service is likely to deteriorate even further. There is to be no competition worth the name between Varta and Sandesh as they will be two very different 'kinds' of agencies. This appears to be conceded in the Report itself which suggests that the absence of competi-

tion can be overcome by having some meetings with newspaper editors and news editors in different parts of the country. To state the proposition is to expose its weakness.

2. The deteriorating service will be at increasing cost to subscribers. In the first place, there is no element of cost-consciousness anywhere in the recommendations. Secondly, the present unsatisfactory staff position in Samachar is likely to be perpetuated. Many metropolitan centres are today grossly over-staffed with more than one manager at each centre. There will be no incentive to go ahead with the necessary stream-lining of the organisation; indeed, quite the contrary. The result will be that the unnecessary man will be retained and the additional man recruited.

3. There is a great deal of exaggerated rhetoric on the subject of the need for 'rural coverage', whatever this may mean. If this supposed gap in our news coverage is to be filled, additional staff on a vast scale will be recruited for the purpose because the existing staff will resist such transfers from their current, more comfortable, postings in metropolitan areas. This will result in a quite fearful increase in costs.

4. In the international sphere News India will have no credibility, for reasons I have already discussed. There will also be a further rapid increase in costs. No proper thought has been given to the problems of staff postings. Indiscriminate increase in postings overseas is likely as a result of pressures from the staff of Varta and Sandesh through their chief editors sitting on the News India board. This will be the consequence of the absence of any cost-conscious disciplines in the recommendations.

Overseas, there will be very little interest in our news file as a consequence of the structure recommended and the exchange of news files by the greater use of highly expensive telex services will further raise costs unjustifiably.

These will simply be passed on to Varta and Sandesh and, in turn, to their subscribers.

## *II. Alternative Structure:*

I am conscious of the fact that perhaps my Minute is couched in strong language, but the absence of proper reasoning and argument, the straining after effect, and the readiness to jump from inadequate premises to unwarranted conclusions leave me little alternative. Before I conclude, I would like very briefly to set out an alternative to the structure recommended.

(A) In my view, Samachar should be broken up into two fully competing news agencies, primarily in the English language (for the simple reason that this is the language in which the service is demanded). This is fully supported by the evidence placed before us. PTI and UNI achieved a high reputation, both domestically and overseas, before they were forcibly taken over and there is no reason why the two agencies to replace Samachar should not be given back those names. Administratively also the task will be much easier than the suggestions for division of assets and liabilities contained in the Report.

(B). The role of effective competition in our circumstances must remain predominant. I cannot accept the argument that internal checks and balances can be any substitute for the simple reason that the ultimate sanction open to international agency networks of dismissal from one's job for proven inefficiency or lack of professionalism or other weighty considerations—is not open to us. I make no comment on the desirability or otherwise of protective legislation but draw attention to the fact that it is now virtually impossible to deal effectively with any inefficient or unprofessional employee. The difficulties placed in the way are, for all practical purposes, insuperable. In this situation the only safeguard to the customer is effective competition between two full-fledged agencies.

(C) Both agencies should be left free to develop Hindi and regional language services as each may consider best. If competition is important in the English language, it is equally important in other languages. I am strongly opposed to giving Varta a monopoly of Hindi and regional language services which, in my view, will not be in the interests of subscribing newspapers in those languages.

(D) Both agencies should be free to take the services they choose from overseas. I am totally opposed to granting a monopoly to News India of international news coverage. It would certainly be possible for both agencies to work out a limited sharing arrangement between themselves, but they must be left free to do so.

(E) I agree with the argument in the Report that AIR and TV have not paid and are not paying their proper share of subscriptions to the news agency system. The formula suggested in the Report is reasonable except that, in my judgment, the total contributions from AIR and TV should be appointed between PTI and UNI in proportion to the subscriptions they earn from newspapers. This will mean that, in addition to competition in quality of service, there will be competition for subscribers. This will ensure that subscribers are not held to ransom. Such a scheme would be more in keeping with internationally accepted standards of professionalism, and would take better note of the very desirable injunctions contained in the brief given to us. It would also give back to the Indian Press what was taken from it under cover of the darkness of the Emergency and, on that worthwhile base, provide for the future.

Sd/

ASOKE KUMAR SARKAR  
Calcutta,  
11th August, 1977

Sd/

CUSHROW R. IRANI

## OBSERVATIONS BY SHRI ISHRAT ALI SIDDIQUI

Now I would like to make a few observations on the final draft.

1. I agree that the formation and functioning of Samachar has not been quite proper but the relevant Chapter IV contains many allegations some of which may be correct but all of these cannot be treated as proved facts. We can be critical but we should not be vindictive. Some of the inferences drawn in Para 75 of this Chapter (e.g. about the delay in releasing certain items) are based on conjectures, I am afraid, I cannot associate myself with such allegations and inferences.
2. In para 78 of the same Chapter the report recommends that the professional misdemeanour in the Samachar should be investigated and responsibility fixed but in the sentence just before this, the Committee has itself fixed the responsibility. This seems to be a contradiction. The misdemeanour of Samachar is a continuing factor and its reporting of the recent meeting of the Congress Parliamentary party was as faulty, fabricated and malicious as some of the items sent out by this agency during the emergency. The report has not dealt with the post-emergency or rather post election misdemeanours and if any investigation is to be made it should also cover this period. But I think, it will be waste of time, effort and money. Instead of crying over the past and trying to be vindictive we should concentrate on building a system which may not be easily abused.
3. I generally agree with the structure recommended, but would like to emphasise that there

should not be any retrenchment of the staff or reduction of their salary about which there is a subdued indication on page 82 (Chapter VI).

4. In our discussions it was agreed that a language having at least three subscribers should get representation on the governing board of Varta. This is very necessary to avoid misgivings and should be specifically provided for.
5. As regard financial resources (Chapter VII) we should not be carried away by the arguments of the big papers that they have no capacity to increase their subscription for the news services. Of the total expenditure on the production of a paper only 1.5 per cent goes to news agencies as was shown by the Committee on the economics of newspaper industry. This can justifiably be increased to improve the finances of the news agencies. However, the subscription rates for the small and medium papers need not be increased.
6. My friends in the Committee did not agree with the suggestion that it should somehow be made obligatory for every daily newspaper to subscribe to a news agency. But I still believe that this is necessary to raise the standard of journalism. Of course, the subscription rate for small papers should be kept as low as possible. The above noted six points may kindly be added on my behalf in the Report of the Committee on News Agencies.

Lucknow,

Sd/- ISHRAT ALI SIDDIQUI

11th August, 1977.

## NOTE OF DISSENT BY SHRI K. CHATHUNNI MASTER

I generally endorse the general principles adopted and the recommendations made in this Report. But I may be permitted to make two or three points which failed to see their way into the body of the report.

(1) The structure of the two internal news-agencies appears to be the best possible under the circumstances. It is, however, necessary to watch the working of the news-agencies as they begin to operate, since there is danger of one of the two objectives in setting up Varta—promoting the collection and dissemination of news in the Indian languages—being relegated to the background. I, therefore, suggest that there should be a review of the working of the two internal and the international agencies five years after they are formed. Since the agencies are the creatures of Parliament, it is also necessary that periodical reviews of their working is made every five years and reported to the Parliament.

(2) I am opposed in principle to the proposal to nominate persons to the Governing Bodies, whoever may be the nominating authority. We are here trying to organise news agencies free from all sorts of manipulated and unhealthy tendencies. Nominations are often loopholes for patronages and favouritism to creep in. However well-intentioned we may all be, there is always the possibility of misuse in the provision.

The draft report has not taken into consideration the valuable recommendation of the Press Commission that half of the members of the Board should be persons "unconnected with the newspaper industry", as has been

quoted in para 136 of Chapter VI. As a matter of fact, with the solitary exception of one representative of the employees, the entire Board consists of either the representatives of the Newspaper subscribers themselves, or those co-opted by them or appointed to the post of the Chief Editor. Such a composition of the Boards would not serve to make it a democratic organisation.

The Report correctly says:

“With social consciousness spreading fast, it is necessary for a news-agency system to cover the life and activity of the middle and lower wings of society. This has nothing to do with any ideological bias but is dictated by the compulsion of a functioning democracy. The stark reality is that these classes constitute the vast majority in our country, and fidelity to democratic values demands that their life and living, their problems and aspirations get adequate reflection in the information content of a news-agency system”. (Chapter II para 20).

This laudable aim will not be translated into practice by a recommendation alone. Something more should be done to see that this is done. We all know well, whether we like it or not, that the affluent sections of society cannot be prevented from exercising a strong leverage in the various news media, so long as we live in a society where they hold power and prestige. Advertisements in newspapers and commercial programmes of the Radio and Television are only one method of exercising this leverage. Ownership of newspapers and other media is another. And there are umpteen other means open to them. So, even without statutory representations for these classes they are there and everywhere. In order to counterbalance this influence and to ensure a democratic set-up, I am of the view that ways can be found for filling a

few seats on the board by representatives of trade unions, kisan sabhas and other mass organisations. In regard to trade unions, for instance, two representatives elected from a college consisting of the registered trade unions in the country may be allotted seats in the Governing Board of Varta and Sandesh that we propose to organise.

Whether this is considered impracticable for the present or not, it is necessary to have one representative each of the parties and groups recognised in both Houses of Parliament on the all-India Boards of the news-agencies. Similarly, parties and groups recognised as such in the Legislatures of States should be given one representative each in the regional bodies. This will help to make the agency more responsible to public opinion by the introduction of a little more of the "lay and democratic" element, whose need is accepted by the Report also. (Chapter VI, paras 136 and 137)

(3) Our report envisages the possibility and desirability of private news agencies, besides the ones established by the Charter. If and when they take shape, they also must accede to a democratic set-up on more or less the lines we have drawn up, if they want the privileges and accreditation.

(4) Though we have not gone into details regarding the Class I Status conferred on the employees after the forced amalgamation of the different agencies into Samachar, it is my impression that none of us wanted the enhanced emoluments to be withdrawn, whatever may be our views as to the circumstances and motivations of those enhancements. Still, I may be permitted to emphasise that nothing should be done by those concerned with the transitional arrangements to take back any monetary and

service benefits which the present employees of the Samachar are enjoying.

Deshabhimani,  
Calicut

Sd/-K. CHATHUNNI MASTER.

11th August, 1977.

### NOTE OF CHAIRMAN

I have to offer certain clarifications on the Note of Dissent recorded by Shri C. R. Irani, to which Shri A. K. Sarkar has subscribed. I respect their desire to split Samachar into two competing English language agencies and go back to the status quo ante, that is, PTI and UNI. Where they have gone wrong in my opinion is when they put words in the mouth of the Committee Members and build up a premise for the sake of demolition. The Committee has also recommended the constitution of two independent news agencies. The only difference is that while Shri Irani and Shri Sarkar want both in English, the Committee, keeping in view the role and the importance of the Indian language press, has suggested one in English and the other in English together with other Indian languages.

2. Nowhere has Hindi been given pre-eminent position nor preference, neither in the Governing Body nor in the running of the Agency.

3. I do not know what is meant by saying that English "is the language in which the service is demanded". We have been of the view that the Indian press would not reach its full stature unless the newspapers in Indian languages are properly catered for. In this view of the matter, the statement that the service is "demanded" in

English only is factually incorrect. There is a tremendous demand for service in Indian languages and time has come to institute arrangements to meet this demand. It has not been possible for the Committee to assume that the Indian press is coterminous with English press.

4. Some of us were in favour of one trust with three autonomous news agencies, English, multi-lingual and international, with a common Board of Governors, common administrative set-up, common budget and common cadre of employees. We thought that the problem of resources forced us to combine as many functions as possible while maintaining the autonomy of all the three agencies. But when there was strong objection from some members we tried our best for a consensus until the last minute. I sincerely believed that both Shri Irani and Shri Sarkar would come to accept the recommendations which other Members had collectively made.

5. I appreciate these views arise out of the assumption that the press is something unconnected with or independent of the needs of the people of the country. Those who have had direct experience of active journalism—as distinct from managerial operations—would not be able to imagine the press as an item isolated from the needs of the country. Shri Irani's Note states that, "it is not the function of this Committee to look at the country's needs as a whole; our Government should be quite capable of doing this". I am afraid our Terms of Reference required us to submit to Government suitable recommendations, "keeping in view the need for providing complete, impartial, objective, accurate and country-wide news services".

6. As regards News India, it has been wrongly stated that it would have a monopoly of international news coverage. Since News India would be a partnership concern of both the Agencies, it is not clear how the question of monopoly arises.

7. There is nothing "disturbing" or "specious" about news reportage covering the activities of all classes of society, including the rural communities. Objection has also been taken to our advising "a sense of proportion" on the part of a news agency in disseminating different points of view. There could possibly be no contradiction in a news agency giving objective attention to different points of view while maintaining its sense of proportion.

8. There is mention of our alleged "anxiety to show that a single monopoly agency is a good thing". We have not in any way advocated a single agency anywhere and, therefore, it is not clear why this inference has been drawn. The Committee has clearly recommended two full-fledged independent news agencies. Without disclosing any further the evidence given by Shri C. Raghavan and Shri V. P. Ramachandran, I would only state that the gist of it given in the Note of Dissent is totally incorrect. Further, Shri C. R. Irani was not present at the meeting held on 25 April 1977, when Shri C. Raghavan was examined and, therefore, his having said something "under questioning from me" has no factual corroboration.

9. As regards the News Agencies Pool of Non-aligned countries we have recommended the continuation of our participation because the scheme already provides that this should not imply any replacement of existing arrangements with the agencies of other countries, that our discretion to utilise the wordage received should be unfettered and that this whole operation should be reviewed after a year. I do not agree that the Committee should have ignored India's status as an important member of the Non-aligned community on the plea that we were a Committee of "experts" on media who were not supposed to take into account other realities of the situation.

10. The quotation from the speech of the former Prime Minister who had to inaugurate the New Delhi Conference

of Non-aligned Countries on behalf of the host country is irrelevant since this speech is no part of the decisions or observations made by the Conference.

11. We have nowhere recommended that the News India should be "hopelessly dependent for the bulk of its revenue on Ministry of External Affairs", or that the advice of officials of that Ministry should be taken on where to open new bureaux or that the News India would advise the Ministry of External Affairs how to project abroad the views of the Government of India. In fact, we have in our Report specifically expressed our disapproval of the scheme considered by the Government in 1974-75 according to which the Ministry of External Affairs could have acquired some control over the international news services. Where we have recommended the desirability of taking the advice of foreign affairs experts, we have had in mind, not Foreign Office personnel, but widely-known specialists in international affairs. We have, however, recommended that the Ministry of External Affairs should subscribe to the services of News India. We have separately recommended that the Akashvani and Doordarshan should also subscribe to the services of News India. We have separately also recommended that the Akashvani and Doordarshan should subscribe to the services of the Agencies at substantially higher rates, to which no objection has been voiced in the Note of Dissent.

12. It has been stated that reference to representation in the Governing Board of VARTA on behalf of 9 languages has been "carefully cut out". This is wholly untrue. In para 138 of Chapter VI, it is clearly stated that the 9 elected Members would represent the different languages as referred to in para 124 of this Chapter which lays down the principles on the basis of which different languages would be selected.

13. I have not liked the tenor and tone of shri Irani's Note but then he has his own way of expressing himself and he is welcome to it.

Sd/-

KULDIP NAYAR,

16-8-77





सत्यमेव जयते



APPENDICES

सत्यमेव जयते



सत्यमेव जयते

APPENDIX—I

PART I—SECTION I  
GAZETTE EXTRAORDINARY

No. 30/14/77-PRESS

GOVERNMENT OF INDIA

MINISTRY OF INFORMATION AND BROADCASTING

*New Delhi, April 19, 1977*

RESOLUTION

In pursuance of Government's declared policy on the functioning of press and of news agencies, it has been decided to appoint a Committee to examine the functioning of Samachar and to make recommendations regarding its future set up. The Committee is constituted as follows:

*Chairman*

1. Shri Kuldip Nayar

*Members*

2. Shri D. R. Mankekar
3. Shri C. R. Irani
4. Shri A. K. Sarkar
5. Shri K. R. Malkani
6. Shri Rahul Barpute
7. Shri Ishrat Ali Siddiqui
8. Shri K. Chathunni Master
9. Shri Nikhil Chakravartty
10. Shri S. G. Munagekar
11. Shri R. Rajagopalan

*Member-Secretary*

- 12 Shri L. Dayal

2. The terms of reference of the Committee will be:—

- (i) To review the situation arising from collection and dissemination of news by a single news agency within the country and abroad and make recommendations consistent with the freedom of press, independence of news agencies, and possibilities of competitive services freely to all users.
- (ii) To report on the financial viability of 'Samachar' taking into account the grants-in-aid given by the Government to tide over its unsatisfactory financial situation.
- (iii) To consider and make recommendations in regard to the personnel of 'Samachar', their emoluments, their integration and absorption, fitments and replacements vis-a-vis the erstwhile news agencies.
- (iv) To make suitable recommendations about the future set-up of 'Samachar' and other forms of news agencies if suggested keeping in view the need for providing complete, impartial, objective, accurate, and country-wide news service.
- (v) To take a view on the functioning of 'Samachar' as a member of the News Agencies Pool of the Non-aligned Countries and its commitments with regard to bilateral arrangements with a number of news agencies of the Non-aligned countries for mutual exchange of news and the manner in which its obligation will be discharged.
- (vi) To report on any other aspect of the problem relating to proper functioning of a news agency or news.

3. The Committee may examine any other allied matter necessary to enable it to make its recommendations on the future set up of 'Samachar'.

4. The Committee will consult newspaper managements and also working journalists, non-journalist workers and any other interested groups that it may consider desirable to consult.

5. The Committee will meet as often as considered necessary. The headquarters of the Committee will be at New Delhi but it may visit such places as considered necessary for a proper and comprehensive study of the areas outlined above.

6. The Committee will evolve its own procedure.

7. The Committee may submit its report as soon as possible but recommendations on future set-up of the 'Samachar' for immediate implementation may be submitted in three weeks time.

8. Membership of this Committee will be honorary, but non-official members will be entitled to travelling and daily allowances in accordance with the Ministry of Finance, Department of Expenditure O.M. No. 6/26/E. IV/59 dated September 5, 1960, as amended from time to time.

Sd./- S. M. H. BURNEY,  
Secretary to the Government of India.



## APPENDIX—II

### QUESTIONNAIRE

1. Keeping in view the adequacy, efficiency and independence of news service, whether you consider a single agency or multiple agencies to be better.

2. To what extent is the idea of 'healthy competition' to be taken into account while deciding whether there should be one or more agencies in the country? Kindly touch upon the various aspects in respect of which competition is possible and desirable.

3. Keeping in view the present state of language news services, whether there is advantage in combining English and language services within a single apex organisation or whether there should be two or more separate organisations for English and other language services.



### APPENDIX—III

#### LIST OF EDITORS ETC. FROM WHOM REPLIES TO QUESTIONNAIRE WERE RECEIVED.

1. Shri Chalapathi Rau, M, Editor, 'National Herald', New Delhi.
2. Shri Chandrakar, C.L., Editor, 'Hindustan', New Delhi.
3. Shri Daruwala, J.D., Editor, 'Bombay Samachar', Bombay.
4. Shri Ghosh, Kedar, Managing Director & Chief Editor, 'Basumati' Corporation Ltd., Calcutta.
5. Shri Ghosh, S. Kanti, Editor, 'Jugantar', Calcutta.
6. Shri Ismail Tabish, H. M., Editor, 'Daily Pasban', Bangalore.
7. Shri Jairamdas Doulatram, Editor-in-Chief, 'The Hindustan' (Sindhi daily) of Bombay.
8. Shri Jha, Deenanath, Editor, 'The Indian Nation', Patna.
9. Shri Kolish, K. C., Editor, 'Rajasthan Patrika', Jaipur.
10. Shri Krishnamurthy, Y. N., News Editor, 'Prajavani', Bangalore.
11. Shri Mathew, K. M., Chief Editor, 'Malayala Manorama', Kottayam.
12. Shri Mirchandani, G. G., formerly General Manager, UNI.
13. Shri Parsuraman, E., Editor, 'Alai Osai' Madras.
14. Shri Patel, Chimanbhai Somabhai, Editor, 'Sandesh', Limited, Ahmedabad.
15. Shri Rath, Radhanath, Editor, 'The Samaj', Cuttack.
16. Shri Ramakrishna Murthy, K. S., Editor, 'Kannada Prabha', Bangalore.
17. Shri Rangaswamy, K., Editor, Foreign News & Features, New Delhi.

18. Shri Seshadri, R., News Editor, 'Deccan Herald', Bangalore.

19. Shri Shah, N. L., Editor, 'Jai Hindi', Rajkot.

20. Shri Shanmugavel, M., Editor of 'Makkal Kural' and the Madras Union of Journalists.

21. Shri Sheorey, A. G., Managing Editor, 'Nagpur Times', Nagpur.

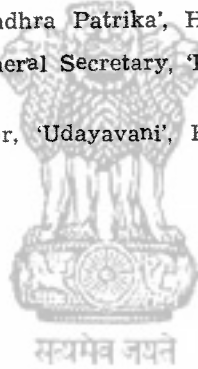
22 Shri Wajih Uddin, Chief Editor, 'The Daily Paigham', Kanpur.

23. The Editor 'The Vir Pratap', Jullundur.

24. The Editor, 'Andhra Patrika', Hyderabad.

25. President & General Secretary, 'Hindustan Samachar Staff Committee'.

26. Resident Director, 'Udayavani', Kannada Daily, UDIPI.



## APPENDIX- IV

### LIST OF WITNESSES

Sl. No.	Date and venue of the meeting	Name of witnesses
1	2	3
1.	First meeting 24 April, 1977 New Delhi.	No witness was examined.
2.	Second meeting, 25 April 1977, New Delhi.	<ol style="list-style-type: none"> <li>1. Shri Ramu Patel (Editor, Western Times, Ahmedabad, Chairman, Gujarat Editors Conference).</li> <li>2. Shri G. G. Mirchandani (formerly General Manager, UNI)</li> <li>3. Shri C. Raghavan (formerly Chief Editor, PTL)</li> <li>4. Shri Upendra Vajpayee } Representatives</li> <li>5. Shri M.K. Ramamurthy } of Indian</li> <li>6. Shri C. P. Ramachandran } Federation of Working Journalists.</li> </ol>
3.	Third meeting, 2 May, 1977, Calcutta.	<ol style="list-style-type: none"> <li>7. Shri Sriharsha Misra (Editor, Prajatantra, Cuttack)</li> <li>8. Shri Aveek Kumar Sarkar (Managing Editor, Anand Bazar Patrika, Calcutta).</li> <li>9. Shri B. S. Gupta (Editor, Sanmarg, Calcutta).</li> <li>10. Shri S. Nihal Singh (Editor, Statesman, Calcutta).</li> <li>11. Shri E. Abraham (News Editor, Statesman, Calcutta).</li> </ol>

1	2	3
4. Fourth meeting, 3 May, 1977, Calcutta.	12. Shri P. K. Roy (Manager, Amrit Bazar Patrika, Calcutta).	
	13. Shri V. C. Natarajan (Manager, Samachar, Calcutta).	
	14. Shri K.C. Agarwal (Editor, Vishwamitra, Calcutta).	
	15. Shri Arun Bagchi (Editor, Vishwamitra, Calcutta).	
	16. Shri M. Niazi (News Editor, Azad Hind, Calcutta).	
5. Fifth meeting, 4 May, 1977 Madras.	17. Shri G. Kasturi (Editor, Hindu, Madras and Chairman, Samachar).	
	18. Shri K. S. Subramaniam (Editor, Andhra Prabha, Vijayawada).	
	19. Shri N. Ram Mohan Rao (Editor, Andhra Jyothi, Vijayawada).	
6. Sixth meeting, 4 May, 1977, Madras.	20. Shri M. Shanmugavel (Editor, Makkal Kural, Madras).	
	21. Shri B.R. Adityan (Managing Director, Malai Murasu, Madras).	
	22. Shri Ramaswamy (Editor, Malai Murasu, Madras).	
	23. Shri P.E. Shanker (Manager, Samachar, Madras).	
	24. Shri C. R. Ramaswamy (Editor, Swadesamitran, Madras).	
7. Seventh meeting, 5 May, 1977, Madras.	25. Shri L. Meenakshisundaram (President National Union of Journalists (India) and Special Representative of Nai Duniya).	
	26. Shri V. P. V. Rajan (Editor, Mail, Madras).	
	27. Shri Velur Narayanan (Director Alai Osai, Madras).	
	28. Shri Parasuraman (Editor, Alai Osai, Madras).	

1	2	3
		29. Shri C. P. Seshadri (Asstt. Editor, Indian Express, Madras).
		30. Shri K.V. Ramakrishnan (formerly of PTI, Madras).
8. Eighth meeting 6 May, 1977 Bombay.	31. Shri Neelkanthan (Manager, Samachar, Bombay).	
	32. Shri Sayeed Ahmed (Editor, Urdu Times, Bombay).	
	33. Shri Anjum Romani (News Editor Urdu Times, Bombay).	
	34. Shri C. S. Pandit (Editor, Free Press Journal, Bombay).	
	35. Shri Shameem Zuberi (Editor, 'Inquilab' Bombay).	
9. Ninth meeting 6 May, 1977 Bombay.	36. Shri Hassomal Issar Das (Editor, Hindustan, Bombay).	
	37. Shri S. B. Bedarkar (Editor, Nagpur Times, Nagpur).	
10. Tenth meeting 7 May, 1977 Bombay.	38. Shri Chimanbhai Patel (Editor, Sandesh, Ahmedabad).	
	39. Shri Manibhai Shah (Gujarat Mitra, Surat).	
	40. Shri K.R. Sunder Rajan (Representative, Canadian Press, Bombay).	
	41. Shri Anantrao Patil (Editor Vishal Sahyadri, Pune).	
	42. Shri Daruwalla (Editor, Bombay Samachar, Bombay).	
	43. Shri V. T. Bhavnani (Poona Herald, Pune).	
11. Eleventh meeting 7 May 1977 Bombay.	44. Shri Sham Lal (Editor, Times of India, Bombay).	
12. Twelfth meeting 8 May, 1977 New Delhi.	45. Mr. C. Roussel (Chairman, AFP, France)	

1	2	3
13	Thirteenth meeting 9 May, 1977 New Delhi.	<p>46. Shri M. K. Ramamurthy 47. Shri Upendra Vajpayee 48. Shri Chandulal Chandrakar.</p> <p>49. Shri W. Lazarus (Acting General Manager, Samachar).</p> <p>50. Shri Prem Bhatia (Chief Editor, Indian News and Features Alliance).</p> <p>51. Shri R. S. Agnihotri 52. Shri Om Mehta</p> <p>53. Shri I. K. Gujral (Indian Ambassador to the Soviet Union and former Minister, Information &amp; Broadcasting)</p>
14	Fourteenth meeting 10 May, 1977 New Delhi.	<p>46. Shri M. K. Ramamurthy 47. Shri Upendra Vajpayee 48. Shri Chandulal Chandrakar.</p> <p>49. Shri W. Lazarus (Acting General Manager, Samachar).</p> <p>50. Shri Prem Bhatia (Chief Editor, Indian News and Features Alliance).</p> <p>51. Shri R. S. Agnihotri 52. Shri Om Mehta</p> <p>53. Shri I. K. Gujral (Indian Ambassador to the Soviet Union and former Minister, Information &amp; Broadcasting)</p> <p>54. Shri S. C. Bhatt (Director of News Services, Akashvani).</p> <p>55. Shri E. C. Thomas 56. Shri U. Jayaraj 57. Shri N. Sharma</p>
15	Fifteenth meeting 10 May, 1977 New Delhi.	<p>46. Shri M. K. Ramamurthy 47. Shri Upendra Vajpayee 48. Shri Chandulal Chandrakar.</p> <p>49. Shri W. Lazarus (Acting General Manager, Samachar).</p> <p>50. Shri Prem Bhatia (Chief Editor, Indian News and Features Alliance).</p> <p>51. Shri R. S. Agnihotri 52. Shri Om Mehta</p> <p>53. Shri I. K. Gujral (Indian Ambassador to the Soviet Union and former Minister, Information &amp; Broadcasting)</p> <p>54. Shri S. C. Bhatt (Director of News Services, Akashvani).</p> <p>55. Shri E. C. Thomas 56. Shri U. Jayaraj 57. Shri N. Sharma</p> <p>58. Shri D. V. Desai 59. Shri Mrinal Ghosh 60. Shri K. S. Jolly 61. Shri F. Mendez 62. Shri G. A. Kamath 63. Shri S. Ramakrishnan 64. Shri Mahesh Prasad</p> <p>65. Shri P. S. Kasbekar (Joint Convenor, Managing Committee, Samachar)</p> <p>66. Shri B. P. Agarwal (Secretary, Hindustan Samachar).</p> <p>67. Shri G. Parthasarathy (Formerly of the PTL, former Permanent Representative of India to UN, Vice Chancellor, Jawaharlal Nehru University and Chairman, Policy Planning Committee, Ministry of External Affairs).</p> <p>68. Shri P. C. Gupta) Chairman, PTI a Managing Editor, Jagran).</p>

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|--|--|---|---|
|  | 69. Shri Satya Suman   | } | Representatives of the Samachar Bharati Employees' Union. |
|  | 70. Shri Rafiq Shastri   |   |   |
|  | 71. Shri H. S. Saraswat  |   |   |
|  | 72. Shri V. P. Ramachandran (Joint Conve-<br>nor, Managing Committee, Samachar).           |   |   |
|  | 73. Shri Chanchal Sarkar (Director, Press<br>Institute of India).                          |   |   |
|  | 74. Shri Hiranmay Karlekar (Editor,<br>Hindustan Times).                                   |   |   |
| 16 Sixteenth meeting<br>21 May, 1977<br>New Delhi.   | 75. Dr. Ram S. Tarneja, (Chairman, UNI)  |   |   |
|  | 76. Shri M. V. Desai, (Director, Indian<br>Institute of Mass Communication).               |   |   |
|  | 77. Shri Romesh Thapar, Editor, "Seminar"  |   |   |
|  | 78. Shri L. Meenakshi<br>Sundaram, President.  | } | Representatives<br>of NUJ (I)                             |
|  | 79. Shri P. Chakravarti,<br>Vice-President.  |   |   |
|  | 80. Shri Mewa Lal Shastri<br>Vice-President.   |   |   |
|  | 81. Shri Kapil Verma,<br>Secretary-General.  |   |   |
|  | 82. Shri J. K. Gupta.  |   |   |
|  | 83. Shri Bhagwat Saran.  |   |   |
|  | 84. Shri M. Chattopadhyay,   |   |   |
| 17 Seventeenth meeting<br>22 May, 1977<br>New Delhi. | No witness was examined.   |   |   |
| 18 Eighteenth meeting<br>22 May, 1977<br>New Delhi.  | 85. Shri Asoke Mitra, (former Secretary,<br>Ministry of Information and Broad-<br>casting) |   |   |

## NEWS AGENCIES OF THE WORLD

There are three noticeable features of the world news scene today:

- (i) Five 'world' agencies dominate.
- (ii) In a large part of the developing world news agencies are under some form of state control.
- (iii) In a large number of countries, there are no agencies at all.

2. According to the UNESCO Report on World Communications (1975), there are news agencies in 90 sovereign countries of the world, an increase since ten years ago, but some 40 countries have none; these include 25 countries with populations of more than one million. Agencies are directly controlled by the State in 50 of these 90 countries; in 40 others the agencies are cooperatively owned and run by the newspapers and the media. In many of these countries, even where the agencies ostensibly are autonomous corporations, owing to the political set-up, the state casts a big shadow on the news agencies. By virtue of the size of their operations and their financial, technological strength, the 5 world agencies are breathing down the shoulders of the rest. These are the Associated Press of America, Reuters, Agence France-Presse, TASS and the United Press International.

3. A world agency was defined by UNESCO in 1953 as an "agency which maintains a network of correspondents to collect news in a great number of countries and a headquarters staff which edits these news items as well as domestic news and despatches them as quickly as possible" to (a) the agency's bureaux abroad for local distribution; (b) to national agencies with which it has an agreement and (c) directly to subscribing newspapers and broadcasting stations abroad. Such agencies use extensive telecommunications for the reception and transmission of their services.

4. The first broad wave of agency establishment or reorganisation came with the post-war creation of new governments in various European countries. In all, 24 agencies began operating between 1945 and 1949. At the same time, agencies were opened or reorganised in a number of countries in Asia, North and South America and Oceania. The expansion of News agencies came into being in Asia, North and South America, Europe and, for the first time, in North and Tropical Africa. The second broad wave of agency expansion came in 1960—62, when a total of 23 agencies were founded in the new African States as well as in Asia, North America, Oceania and the U.S.S.R.

5. The news agencies of the world have felt the need for an inter-agency pooling and coordination. In fact, some of the agencies like the Middle East News Agency (MENA) of Egypt are themselves a pooled agency system. However, there are other continental, trans-continental or regional arrangements amongst the agencies. These generally exhibit the cultural and political compatibility of interests. In fact, some homogeneity is necessary in order to make such arrangements work. In Europe, the major agencies of 16 countries co-operate through the European Alliance of News Agencies to further their common interests and promote the flow of news within the region. Asian agencies are similarly served by the Organisation of Asian News Agencies, and African services by the Union of African News Agencies. The most remarkable development in this field is the recent effort made within the Non-aligned movement to create a Press Agency Pool with defined functions. The effort commenced at the Conference of Foreign Ministers' of Non-aligned Countries held in Lima in August 1975 and achieved a somewhat firm base at the New Delhi Conference of Information Ministers' of Non-aligned countries held in July, 1975. The emergence of this Pool has been a subject of much controversy, especially amongst the Western countries and others who are outside the Non-aligned community.

6. A list of the important agencies of the world is given in Annexure.

7. We are describing broadly the set-up and the activities of 8 of these agencies in this Chapter.

### **1. Associated Press of America (U.S.A.)**

1.1. The Associated Press, "the oldest" of the world agencies, was founded in 1848 under the name of Harbour News Asso-

ciation. It was formed by 6 New York city newspapers to share the cost of collecting news by means of "news boats" which met ships coming in from Europe. In 1892, it was reorganised as the Associated Press, incorporated in Illinois. Since 1900, its headquarters have been in New York.

1.2. The AP is a cooperative non-profit organisation without shareholders or other commercial forms of ownership. It is controlled by newspapers and broadcasting stations, which are its members sharing expenses for common purposes. It is administered by a President/General Manager, selected by the AP's Board of Directors. The Board consists of 18 newspaper publishers in the US, elected to 3-year term by member publishers.

1.3. AP's sole source of revenue is what it gets from its subscribers, numbering more than 10,000 newspapers, radio and television stations, buying its services in over 110 countries. The income derived from this is spent exclusively on the gathering and dissemination of news. In the United States alone, it has 1,771 dailies and 3,600 radio and television centres as subscribers. No profit is made on the service and the income is, therefore, close to the expenses incurred annually. The annual expenditure of AP, reportedly the highest in the field, comes to about 90 million dollars.

1.4. AP does not receive any subsidy or assistance from the government. "No government in the world can tell AP what to report or how to report it. Dictators of many lands have expelled AP staff reporters who refused to abandon the AP standards of objectivity." It refused at one stage to allow its news services to be used by the United States Information Service on the Voice of America, since the utilisation of AP news for propaganda might damage its reputation for integrity. It was Mark Twain who said, "there are only two forces that can carry light to all corners of the globe—the sun in the heavens and the Associated Press down here".

1.5. In addition to hundreds of part-time workers, AP has more than 2,500 staff reporters, editors and photographers working in 107 cities in the US and in 60 offices abroad. More than 3 million words of copy are fed daily to computers, through automatic typesetting and teletype circuits, which carry them to subscribers in the US and overseas. AP news is estimated to reach more than a billion persons every day. News travels in

English and is translated into local languages on arrival, except for Latin America, for which this is translated into Spanish in New York itself. News from Latin America is filed by the AP bureaux direct into the computer complex in New York. The Asian bureaux file their stories in a similar fashion, but they go via Tokyo, where after editing, these are included in the regional report for Asian and Japanese subscribers. Bureaux in Europe, Africa and the Middle East file their copies to the computer in London, which transmits them to New York for distribution. AP's news pictures are sent to users over the AP wire-photo network. AP has more than 2,000 picture subscribers in Europe, Asia, Africa, Middle East and Latin America.

## 2. Reuters (U.K.)

2.1. The second oldest world agency, the Reuters, founded in 1850 in Aix-la-Chapelle, was transferred to London in 1851 when Julius Reuter opened a bureau of commercial information at the Royal Exchange. After the death of Julius Reuter in 1899, his son, Herbert Reuter, extended its operations overseas. Herbert Reuter passed away in 1915 and Reuter ceased to be a family concern. In 1916, Reuters Ltd., was formed as a private company with Roderick Jones as its Managing Director.

2.2. Reuters is owned by four associations holding its shares: the Newspapers Publishers Association (NPA), representing the national newspapers of the United Kingdom, the Press Association (PA), representing the regional newspapers of U.K. and the newspapers of the Republic of Ireland, the Australian Associated Press (AAP) and the New Zealand Press Association (NZPA), representing the newspapers of Australia and New Zealand. The Board of the company has 12 members, a Chairman, Managing Director, two Joint Deputy Managing Directors, seven directors, 3 each nominated by the NPA and AP and one jointly by AAP and NZPA and an alternative director. The Chairman, Managing Director and Joint Deputy Managing Directors are non-voting directors. The Chairman is appointed by the Board for a three-year term and may be reappointed.

2.3. The owners of Reuters undertake, through the Reuter Trust Agreement, to ensure that the agency shall not pass into the hands of any interested group or faction, that its integrity and freedom from bias shall be fully preserved and that no effort shall be spared to expand and adapt the business of Reuters and maintain its position as a leading world agency. Reuters has ten

trustees, who have a 5-year term and can be reappointed. Four are appointed by the Press Association, four by the Newspaper Publishers Association, and one each by the Australian Associated Press and the New Zealand Press Association. They keep in touch with the affairs of the Company through the monthly Board report from the Managing Director and meet once a year to consider whether the terms of the Trust have been met. The Trustees can be invited by the Reuters Board to attend Board meetings and to act in a consultative capacity with the Board. They are also empowered to make representations to the Board on general policy matters. In case of a tie in voting on any matter arising at a Board meeting, the Trustees act as the arbiters when it is referred to them. It is this Trust arrangement that has kept the Reuter tradition of independence alive.

2.4. Reuters is a non-profit organisation. Revenues come from newspapers of the partner organisations as well as those who are not its members, in addition to news agencies, radio, television stations and other bodies, some of whom like embassies, banks, government departments and commercial organisations take specialised services. Reuters news is distributed, either directly or through the national agencies, to 6600 dailies read by 300 million people and to radio and television networks, covering 650 million sets. Reuters, which does no domestic coverage, is supplied a complete daily service of UK home news by the Press Association. In 1975, its turnover was about 10 million pounds.

2.5. Reuter has a total staff strength of 3,000. Over 1150 persons, of whom 350 are full-time correspondents and 800 part-time reporters, file 700,000 words a day into London from 183 countries. From London, 1.5 million words go out daily to subscribers over a communications circuit which is the equivalent of 4 million teleprinter kilometres, with a computerised message-handling system known as the Automatic Data Exchange (ADX), controlling the input and output of news. The Reuter network of communications, one of the highest density communications systems in the world, includes (a) The Tatpack (Trans-Atlantic Pacific) network which links London, Montreal, Sydney and Hong Kong to Tokyo, with spurs to New York, Singapore and Auckland, (b) The Europlex network going around Europe in a ring, connecting London, Paris, Geneva, Frankfurt, the Hague and Brussels, with spurs from Paris to Madrid and from Geneva to Rome; (c) the Uniplex network in

the US joining 1600 cities and (d) the Nyzlo network linking London to New York *via* Zurich.

2.6. Among the services run by Reuters are the Reuter Media Services consisting of world stories of the day, regional stories of specific interest to particular areas, features and audio services and the Reuters News-View, a news service for delivery over cable television systems to the domestic TV receiver. Reuters Economic Services (RES) give quotations and background information for the 3 main areas of business: Money, Investment and Commodities. The Reuter-Ultronic videomaster and Stockmaster are desk-top interrogation devices enabling subscribers to retrieve quotations and related information on domestic and international stock markets. It also publishes a number of daily bulletins on several specialised world trade and financial subjects.

### 3. Tass (USSR)

3.1. The Central news agency of the USSR, Telegrafnoye Aгенство Sovetskovo Soluza (TASS) came into being in 1918 under the name of Rosta or the Rossijskoje Telegrafnoye Aгенburo. Its predecessor, till the revolution of October 1917, was a telegraphic news agency called the Peterburger Telegraphen Agentur (PTA). The Rosta issued news items and official communiques and sent out material to the press in regions under Bolshevik control. In 1919, it started a bulletin called "Agit-Rosta". The Rosta became Tass in 1925. Local agencies in each of the Soviet republics were subordinated to TASS.

3.2. TASS is controlled by the government, being directly under the Soviet Council of Ministers. It has a Managing Board of 12—a Director-General nominated by the Council of Ministers, his four deputies, 6 editors-in-chief managing the six main departments and the head of the communications control office. The head office in Moscow has a large number of editorial departments—for foreign news, home news, home news for foreign countries, home and foreign news broadcasts and photo news. The editorial department of foreign information has 5 editorial desks—for Europe, America, Asia, Africa and the Socialist countries. It controls the translation department and the TASS branch offices overseas. Home news relates mainly to science and technology, agriculture, industry, social activities and sports. The Board also controls the communications office and the departments of finance, material supply, staff and international relations.

3.3. The agency is financially self-supporting, getting its revenue from the payment it receives for its services in Soviet Union and abroad. It had a total of 10,000 subscribers in 1975, including 3700 newspapers, 50 radio and 83 television stations. Full TASS service is taken by 300 overseas subscribers, including 100 newspapers and 70 agencies. Daily, about 120,000 words of general news flow out to subscribers in Persian, English, French, Spanish, German and Arabic.

3.4. TASS has an extensive network of correspondents both at home and abroad. It had a permanent staff of 2,000 in 1975. The total number of TASS correspondents in the USSR is 500. Within the Soviet Union, TASS has branch offices in Leningrad, Valdivostok, Khobarovak, Novosibirsk. Irkutsk and Rostov-on-Don. In addition, the telegraph agencies of the Ukraine, Byelorussia, Uzbekistan, Kazakhstan, Georgia, Azerbaijan, Lithuania, Moldavia, Latvia, Kirghizia, Tadshikistan. Armenia, Turkmenistan and Estonia also serve as the correspondents of TASS. There were 100 TASS offices overseas in 1975 with 180 correspondents. The Bureaux in New York, Washington, London, Paris, Bonn, Stockholm, Helsinki, Cairo and those in the capitals of the Socialist countries are linked with Moscow through round-the-clock teleprinter service.

3.5. TASS has exchange arrangements with the AFP, Reuters, AP, UPI, Kyodo, Jiji, DPA and national agencies of 50 other countries as well as the agencies of all socialist countries. TASS news, in turn, is subscribed to by the agencies of the socialist countries, the 5 world agencies and agencies all over Asia, Africa, Europe and Latin America.

#### 4. Agence France-Presse (France)

4.1. Agence France-Presse was born in 1944, in the wake of the liberation of France from Nazi occupation. AFP was the successor to Agence Havas, a private agency, which remained in business from 1835 to 1939. In 1940, it was bought by the French government which set up a propaganda office known as the Office Francais d' Information (DFI) on the Havas premises in Vichy. This was later captured by the Germans and turned into a Nazi agency called Deutsche Nachrichtenburo (DNB). Among the clandestine agencies which furthered the cause of French Resistance were the Agence d' Information et de Documentation (AID) and the France Libre. It was from the Havas

and these small war-time agencies that AFP took over in 1944. Till 1957, it subsisted on an annual grant from the government of a conditional and contractual nature.

4.2. AFP is an autonomous public body, governed by statutes laid down by law in 1957. The aims of the agency are to search for, in France and overseas, items of objective information and place it before users, for a consideration. According to Article 2 of its constitution, AFP must not, under any circumstances, pass into the hands of any political or economic ideological group. The "fundamental obligation" in Article 2 are worth a look:

- (1) The Agence France-Presse cannot, under any circumstances, take into account influences or considerations likely to impair the exactitude or the objectivity of the information; it must, under no circumstances, pass under the legal or actual control of an ideological political or economic group.
- (2) The Agence France-Presse must, to the full extent of its resources, develop its action and complete its organization with a view to giving in a regular manner to the French and foreign users correct and impartial information worthy of confidence.
- (3) The Agence France-Presse must, to the full extent of its resources, assure the existence of a network of establishments conferring on it the character of a world-wide news organization.

Like Reuters, the AFP has an 8-member High Council of Trustees to see that the agency's fundamental obligations, defined in Article 2, are adhered to. The Council comprises one member, appointed by the Conseil d'Etat, a "magistrate" (that is, a judicial personality) of the Cour de Cassation (Supreme Court), two members representing the newspaper publishers, a professional journalist appointed by the representative professional organisation, a representative of the French Broadcasting—Television, and 2 members chosen by the members of the High Council. The members have a term of 3 years, which is renewable. Instances of the breach of Article 2 are brought to the notice of the High Council by the users. The Council decides the case within 3 months. The Council is empowered to remove the AFP's General Manager, in case of a serious offence. All expenses of the Council are borne by the AFP and a report of the activities of the agency is submitted to the council every year.

4.3. AFP is administered by a Board of Directors, consisting of 15 members, in addition to the General Manager: 8 representatives of the French newspaper publishers, 2 persons representing the French Broadcasting-Television (ORTF) (appointed by the Minister of Information) 3 representatives of public services as users, (appointed by the Prime Minister, the Ministers of External Affairs and Finance), and 2 members from the agency itself, one a professional journalist and the other, a technician. Members have a 3-year term and are eligible for re-election. The Board is vested with extensive powers for the management of the agency.

4.4. For financial supervision, AFP has a Financial Commission of 3 members—two from the Cour des Comptes (Audit Office), appointed by the French President and one expert appointed by the Minister of Finance. The annual statement of receipts and expenses is referred to the Commission. The Commission sends an annual report on the agency's financial management to the Board of Directors, who in turn, transmit it to the High Council.

4.5. AFP derives its revenues from the sale of its services. The total number of direct subscribers in 1975 was 1184, including 61 news agencies (through which AFP news indirectly reaches 12,400 foreign newspapers, TV and radio stations), 379 newspapers, 154 radio and television stations and as many as 590 diplomatic, government, industrial and commercial establishments. AFP has 92 offices abroad and 17 bureaux at home, with a permanent staff of 1126 in France and 822 abroad. It has, in addition, 1417 part-time correspondents—1060 at home and 357 abroad. Its daily output of news in 596,000 in 6 languages—French, English, German, Spanish, Arabic and Portuguese. Its international cable network links Paris with the Provinces and Europe. AFP's transatlantic cable links Paris with New York, Washington, Montreal and the African cable with Rabat, Tunis and Algiers. It has been operating its South and Central American Services since 1950. There is 20 hour a day service in English for the Far East. AFP also has features and photo service and runs audio-radio bulletins. AFP subscribes in turn to 46 foreign agencies.

4.6. An interesting feature of the AFP is that it can only be dissolved by law. In case of insolvency or suspension of payment recorded by the Court of Commerce at the request of either the Board of Directors or the Financial Commission or

the creditors, the government, may, within a month, submit a bill to Parliament either to fix the conditions under which AFP can continue its activity or decide upon the liquidation of its estate.

## 5. United Press International (U.S.A.)

5.1. United Press International, the other big American agency has been in operation since 1958, when the United Press Association, set up in 1907 by E.W. Scripps and the International News Service, established in 1909 by W. Randolph Hearst, were merged.

5.2. It is a private company, 95 per cent of its stock being owned by the E.W. Scripps Company and the 5 per cent by the **Hearst Corporation. There is no individual owner of UPI stock.** UPI has an eight member Board of Directors, headed by the president and the Chief Executive Officer. All of them, except the President and the Chairman of the Board Emeritus belong to either the Scripps Company or the Hearst Corporation.

5.3. UPI derives its revenue from 6417 subscribers. These include 3598 radio and television stations. In 1975, UPI had 238 bureaux overseas in 114 countries, with 10,000 employees. Since 1971 the UPI automatic communication system has linked the US and the European circuits with Asia. News collection, editing and transmission is done automatically through a new information storage and retrieval system introduced in 1972. Through this network, four and a half million words of copy are transmitted everyday in 48 languages.

5.4. The UPI web of operations include a worldwide news film service-UPITN, which UPI owns jointly with the Independent Television News, a British Company; computerised stock-market lists for teletypesetter transmission; a feature service covering comic strips, cartoons and non-fiction material and even a wireless news-bulletin for ships at sea. On February 1, 1977, UPI introduced a Commodity and Economic News Service to serve the international business community.

## 6. Kyodo (Japan)

6.1. The Kyodo News Service came into being in November 1945, as a successor to the Kokusai (1914—1925), the Rengo (1925—1936), and the powerful Domei agency, which was disbanded after World War II.

6.2. Kyodo is a non-profit cooperative of Japanese newspapers. It is a strictly private press association, free of political interference or financial support of any kind except from its own members and the elected Board. The 9-member Board headed by a Chairman includes a Vice-Chairman, President and 6 Executive Directors in charge of various departments.

6.3. Kyodo has 146 subscribers. These include the 66 member newspapers, 14 non-member newspapers and 46 radio and television companies. With the unprecedented upsurge in Japan's economy, Kyodo's working budget rose from 19 million dollars in 1971 to 62 million dollars in 1977.

6.4. In 1975, the Kyodo had 51 bureaux in Japan and 24 bureaux abroad with stringers in San Francisco, Chicago, Mexico City, Sao Paulo, Melbourne, Stockholm, Rome and Warsaw. It sends out some 255,000 words daily, 50,000 of them in English, transmitted to Asia, Europe, Northern and Latin America. The daily wordage of news to Kyodo is 700,000. A special Kanji (Chinese ideograph) teletype—'Kantere', capable of handling 2,304 different letters and symbols transmits the news from Tokyo to local offices and clients.

6.5. In addition to general news, Kyodo runs various other services—features, the Kyodo Economic News Service (KEES), a news photo service, the radio-TV service with domestic and foreign news tailored for voice broadcasts over leased lines and the Kyodo Equipment Service Ltd., which looks after the lease of communication apparatus to Kyodo clients.

6.6. Kyodo has exchange arrangements with 33 foreign news agencies, including AP, UPI, Reuters, ANSA, TASS, Prensa Latina, the New China News Agency, MENA, PTI and the Associated Press of Pakistan (APP).

#### **.7 Deutsche Presse-Agentur (Federal Republic of Germany):**

7.1. Deutsche Presse-Agentur (DPA), one of the largest news agencies in Europe, began from scratch in 1949, with its headquarters in Hamburg. It was formed by the amalgamation of the DENA news agency in the United States zone and the Deutsche Presse Dienst (DPD) agency in the British zone.

7.2. DPA is a private, independent agency, owned and managed as a joint venture by the newspapers, radio and television of the Federal Republic of Germany. Among the fundamental

obligations of the agency, spelt out in its constitution, is commitment to objectivity and fairness in reporting and total independence from ideological, economic and financial groups as well as governments.

7.3. DPA has 39 bureaux at home and 52 bureaux abroad, with a total of 3100 correspondents. Daily about 1,70,000 words are transmitted in German, French, English, Spanish, Portuguese and Arabic. A growing system of permanent teleprinter lines and radio, television channels is used for distribution of news to branch offices and to clients all over the world. DPA has exchange arrangements with 52 overseas agencies, including at one time the Indian agency, UNI. DPA, in collaboration with Reuters, operates the United Economic Services (Vereinigte Wirtschaftsdienste—VWD), which supplies economic news as a special service.

7.4. In addition to radio and television centres, nearly 1200 newspapers in FRG alone subscribe to DPA. It had 100 overseas subscribers in 1975, including agencies, newspapers and broadcasting organisations. Apart from the general news service, DPA also runs features, photo services and a television information service, E—TE—S, supplying newsfilm to stations within the country and outside.

7.5. DPA has an 18-member Board of Directors, all of whom represent the German mass media. There is a built-in device whereby the richer members are prevented from grabbing the agency. Thus, "the basic capital is split up in such a way that individual publishers or a publishing group are not permitted to hold more than 1 per cent and all the radio stations together not more than 10 per cent." Subscription rates for members are fixed on the basis of the number of copies sold.

## 8. Ansa (Italy)

8.1. Agenzia Nazionale Stampa Associata (ANSA), the leading agency of Italy, was established in 1945, in succession to the Agenzia Telegrafica Stefani (ATS), which had been operating since 1853.

8.2 ANSA is a cooperative company of 51 publishing concerns. Memberships is linked to daily newspapers. Weeklies, periodicals, radio and television can only subscribe to ANSA Services without having any vote in the company itself. The agency's aim, according to its statute, is to assure "in the reciprocal

interests of its members and in the climate of democratic liberties guaranteed by the Constitution, a broad service of journalistic information to be distributed to Italian newspaper publishing firms, as well as to other clients...using criteria of rigorous independence, impartiality and objectivity”.

8.3. ANSA's managerial organs are its Assembly, which includes all members, the Administrative Board with a President and 24 Councillors elected every 3 years by the Assembly and the Auditing College. The composition of the Administrative Board reflects a balance between various political orientations, as also between the large, medium, small newspapers and the papers of the North, Centre, and South of Italy. Rates paid by members to the cooperative are fixed on the basis of circulation which is determined by each paper's consumption of newsprint.

8.4. ANSA has 14 regional offices in Italy with more than 750 correspondents, and 930 officers abroad. These include 24 bureaux in Europe, 10 in Africa; 12 in Asia covering Ankara, Beirut, Damascus, Hong Kong, Rangoon, Seoul, Tehran, Tel Aviv, Tokyo, Peking, Islamabad and New Delhi; 4 North America; 13 in Latin America and one in Australia

8.5. All the Italian dailies, periodicals and radio-TV network, and numerous public and private bodies subscribe to ANSA. Outside Italy, it has 150 newspaper subscribers. ANSA Services are sold direct in all Latin American countries, in the U.S., Canada, Iran, Lebanon, Egypt and Ethiopia. In addition, national agencies distribute ANSA news in another 28 countries. ANSA has exchange agreements with AFP, Reuters, UPI and with another 44 agencies.

8.6. Like Reuters, ANSA has drawn strength from a wide variety of services other than pure news. It has been running and developing the following specialised services: (1) Domestic and Foreign Service for non-journalistic agencies (an average of 25 thousand words per day by teletype); (2) Daily Regional Bulletin; (3) Daily Trade Union Bulletin; (4) Daily Theater Bulletin; (5) Weekly Bibliographical Bulletin; (6) Weekly Fashion Bulletin; (7) Weekly Religious Bulletin; (8) Weekly Scientific Bulletin. It runs special services tailored to the clients' needs, including services prepared on the basis of specific contracts with state administrations. For example, in accordance with an agreement with the Foreign Ministry, it supplies daily bulletins to Italian embassies abroad. A special accord with

the Scientific Research Ministry and the National Research Council provides for the distribution of ANSA scientific technical bulletin to universities, research institutes and state laboratories, through ANSA's "fourth channel" as distinguished from the 3 other ANSA channels which transmit news to Italian newspapers. ANSA processes 400,000 words pouring in daily from its own bureaux and other world agencies and redistributes 300,000 words in 5 languages.



(XXX) ANNEXURE  
MAJOR NEWS AGENCIES OF THE WORLD—*Broad Particulars*

Bye-line	Name of Agency	Date of Foundation	Headquarters	Country	Pattern of ownership
(1)	(2)	(3)	(4)	(5)	(6)
1. AFP	. Agence France-Presse	1944	Paris	France	Autonomous public body.
2. ACP	. Agence Centrale De Presse	1951	Paris	France	Owned by the French daily 'Le Provençal'.
AP	. Associated Press	1848	New York	U.S.A.	Co-operative owned by its American newspaper members.
UPI	. United Press International	1958	New York	U.S.A.	Privately owned Company.
3. Reuters	. Reuters	1850	London	U.K.	British Commonwealth co-operative, owned by the newspapers.
PA	. Press Association	1868	London	U.K.	Co-operative owned by the principal UK newspapers outside London.

(1)	(2)	(3)	(4)	(5)	(6)
4. TASS	Telegrafnoie Agentsvo Sovetskova Soyuz.	1925	Moscow]	USSR	Government controlled.
NOVOSTI	Agentsvo Pecoti Novosti (APN)	1961	Moscow	USSR	Co-operative of Union of Journalists etc.
5. TANJUG	Telegrafska Agencija Nova Jugoslavija	1943	Belgrade	Yugoslavia	Founded by the Yugoslav Govt., run by Journalists.
6. ANSA	Agenzia Nazionale Stampa Associata	1945	Rome	Italy	Co-operative owned by Italian newspapers.
AGI	Agenzia Giornalistica Italia	1950	Rome	Italy	Privately owned.
ASCA	Associated Catholic Press	1970	Rome	Italy	Owned by private Group.
7. DPA	Deutsche Presse-Agentur	1949	Hamburg	Federal Republic of Germany.	Cooperative.
8. ADN	Allgemeiner Deutscher Nachrichtendienst.	1946	Berlin	German Democratic Republic.	State owned.
9. Kyodo	Kyodo Tsushin	1945	Tokyo	Japan	Cooperative of newspapers.
10. Jiji	Jiji Press	1945	Tokyo	Japan	Cooperative.
10. APP	Associated Press of Pakistan.	1949	Karachi	Pakistan	Government owned since 1961.

(1)	(2)	(3)	(4)	(5)	(6)
VPI . . .	Pakistan Press International	1956	Karachi	Pakistan	Joint Stock Company. 4 of its 11 directors elected from clients in the mass media.
11. HSINHUA	Hsinhua (New China) News Agency.	1937	Peking	China	State-owned.
12. ANTARA	Lembaga Kantoberita Nasional Antara.	1937	Djakarta	Indonesia	Government controlled since 1962.
13. INA . . .	Iraqi News Agency	1959	Baghdad	Iraq	Government-owned.
14. MENA . . .	Middle East News Agency	1955	Cairo	Egypt	Public Sector Company.
15. PRELA . . .	Prensa Latina, Agencia Informativa Latino-Americana.	1959	Havana	Cuba	State Organisation.
16. APS . . .	Algerie Press Service	1961	Algiers	Algeria	State-owned.
17. ACI . . .	Agence Congolaise D'Information.	1962	Brazzaville	Congo	State-owned.
18. KNA . . .	Kenya News Agency	1963	Nairobi	Kenya	Part of the Govt.'s Information Deptt.
19. IANA . . .	Inter-African News Agency	1964	Salisbury	South Rhodesia.	Subsidiary of the South African Press Association, a news-paper co-operative.
20. BNA . . .	Bangladesh Sambad Sanstha (BSS/BNA).	1972	Dacca	Bangladesh	Private ownership, under Government control.
21. PANA . . .	PAN ASIA NEWSPAPER ALLIANCE.	1949	Hongkong & Tokyo.	Hong Kong & Japan.	Privately owned.

(Source : World Communications, UNESCO)

## APPENDIX—VI

(XXXIV)

**THE PRESS TRUST OF INDIA LTD.****SUMMARISED BALANCE SHEETS**

		As on 31st December			
		1975	1974	1973	1972
<b>A. LIABILITIES</b>		(Rs. Lakhs)			
1. Share Capital . . . . .		4.2	4.2	4.2	4.2
2. Loans from :					
(a) Government of India . . . . .		38.2	42.8	47.4	54.0
(b) Banks (including cash credits/overdrafts) . . . . .		23.7	26.5	27.4	29.8
3. Staff Gratuity Fund . . . . .		44.7	39.4	37.9	35.3
4. Advance Subscriptions . . . . .		6.2	5.7	4.8	3.0
5. Current Liabilities . . . . .		48.1	38.9	25.8	29.4
<b>TOTAL . . . . .</b>		<b>165.1</b>	<b>157.5</b>	<b>147.5</b>	<b>155.7</b>
<b>B. ASSETS</b>					
1. Net Fixed Assets :					
(a) Land and Buildings . . . . .		67.4	69.2	69.5	68.8
(b) Lifts and Air-conditioning . . . . .		6.8	9.6	12.4	15.2
(c) Others . . . . .		16.2	17.0	17.8	20.0
		90.4	95.8	99.7	104.0
2. Investments . . . . .		0.4	0.4	0.6	0.6
3. Stores . . . . .		6.3	5.6	5.1	5.6
4. Sundry Debtors . . . . .		32.2	23.2	18.8	21.6
5. Loans and Advances . . . . .		3.3	4.8	2.8	4.9
6. Cash and Bank Balances . . . . .		6.0	6.1	5.1	5.6
7. Losses . . . . .		26.5	21.6	15.4	13.4
<b>TOTAL . . . . .</b>		<b>165.1</b>	<b>157.5</b>	<b>147.5</b>	<b>155.7</b>

After making provisions for items not included in Accounts :

Gratuity . . . . .	21.9	16.6	18.4	18.3
Doubtful Debts . . . . .	2.0	..	..	..
Doubtful Advances . . . . .	3.8	1.4	3.0	..

No provisions have been made in respect of demands made by employees and former employees before Wage Boards.



Appendix—VII

(XXXV)

UNITED NEWS OF INDIA  
SUMMARISED BALANCE SHEETS

	As on 31st December			
	1975	1974	1973	1972
<b>A. LIABILITIES</b>	<b>(Rs. Lakhs)</b>			
1. Share Capital . . . . .	3.5	3.5	3.5	3.5
2. Loans from :				
(a) Government of India . . . . .	1.2	1.6	2.0	2.4
(b) Banks (including cash credits/ overdrafts) . . . . .	5.8	4.8	2.9	3.2
(c) Others . . . . .	0.8	0.7	..	0.3
3. Staff Gratuity Fund . . . . .	6.8	5.2	4.0	3.2
4. Advance Subscriptions . . . . .	1.2	0.9	0.9	0.7
5. Current Liabilities	22.1	21.7	19.2	15.5
<b>TOTAL . . . . .</b>	<b>41.4</b>	<b>38.4</b>	<b>32.5</b>	<b>28.8</b>
<b>B. ASSETS</b>				
1. Net Fixed Assets . . . . .	11.3	10.3	10.8	10.9
2. Stores . . . . .	2.8	2.3	1.5	1.0
3. Sundry Debtors . . . . .	19.9	11.1	9.6	10.8
4. Loans and Advances . . . . .	2.2	2.5	2.4	2.4
5. Cash and Bank Balances . . . . .	2.9	2.5	2.0	1.7
6. Losses . . . . .	2.3	9.7	6.2	2.0
<b>TOTAL . . . . .</b>	<b>41.4</b>	<b>38.4</b>	<b>32.5</b>	<b>28.8</b>

After making provision for items not included in Accounts :

Gratuity . . . . .	1.3	1.3	1.3	1.5
Doubtful Debts/Advances . . . . .	..	0.3	0.3	0.2
Income Tax . . . . .	..	..	0.6	0.6

No provisions have been made for liabilities against suits filed by the employees.



## APPENDIX—VIII

(XXXVI)

**SAMACHAR BHARATI AND HINDUSTAN SAMACHAR**  
**SUMMARISED BALANCE SHEETS**

	Samachar Bharati As on 31st December 1975	1974	Hindustan Samachar As on 31st March 1976	1975
	(Rs. Lakhs)			
<b>A. LIABILITIES</b>				
1. Share Capital . . . . .	26.4	26.4	1.5	1.5
2. Loans from :				
(a) Government of India . . . . .	1.6	1.6	..	..
(b) U. P. Government . . . . .	0.8	1.0	0.6	0.7
(c) Banks (including cash credits/ overdrafts) . . . . .	0.6	0.1	0.1	0.1
(d) Others . . . . .	..	..	3.2	3.0
3. Current Liabilities . . . . .	5.1	2.6	7.4	6.8
TOTAL . . . . .	34.5	31.7	12.8	12.1
<b>B. ASSETS</b>				
1. Net Fixed Assets . . . . .	2.1	2.3	0.6	0.9
2. Sundry Debtors . . . . .	4.5	2.2	3.8	3.8
3. Loans and Advances . . . . .	1.5	1.7	2.1	1.7
4. Cash and Bank Balances . . . . .	..	0.1	0.2	1.0
5. Losses . . . . .	26.4	25.4	6.1	4.7
TOTAL . . . . .	34.5	31.7	12.8	12.1

*Note :—Provisions for items not included in Accounts : Not known.*

## APPENDIX—IX

(XXXVII)

## SUMMARISED BALANCE SHEETS

	A	B	Property	News Agency
<b>LIABILITIES</b>				
	(Rs. Lakhs)			
1. Loans from :				
(a) Government of India . . . . .	41·0	36	34	2
(b) U. P. Government . . . . .	1·4	1	..	1
(c) Banks (including cash credits/ overdrafts) . . . . .	30·2	27	8	19
(d) Others . . . . .	4·0	8	..	8
2. Staff Gratuity Funds . . . . .	51·5	58	39	19
3. Current Liabilities . . . . .	90·1	44	4	40
<b>TOTAL . . . . .</b>	<b>218·2</b>	<b>174</b>	<b>85</b>	<b>89</b>
<b>ASSETS</b>				
1. Net Fixed Assets				
(a) Land and Buildings . . . . .	67·4	66	66	..
(b) Lifts and Air-conditioning . . . . .	6·8	4	4	..
(c) Others . . . . .	30·2	28	..	28
	104·4	98	70	28
2. Investments . . . . .	0·4	9	..	9
3. Stores . . . . .	9·1	5	..	5
4. Sundry Debtors . . . . .	60·4	28	2	26
5. Loans and Advances . . . . .	9·1	3	..	3
6. Cash and Bank Balances . . . . .	9·1	14	13	1
<b>TOTAL . . . . .</b>	<b>192·5</b>	<b>157</b>	<b>85</b>	<b>72</b>
<b>Deficit . . . . .</b>	<b>25·7</b>	<b>17</b>		

A=The aggregate of PTI, UNI, SB and HS, the four News Agencies as per audited accounts as on 31st December, 1975/31st March, 1976 .

B=Provisional figures of Samachar as on 31st March, 1977.

## APPENDIX—X

(XXXVIII)

**PTI, UNI, SB AND HS**  
**OPERATING RESULTS**

		For the year ended on 31st December, 1975					Total
		PTI Pro- perty	PTI News Agency	UNI	SB	31st March 1976 HS	
		1	2	3	4	5	6
<b>A. INCOME</b>							
					(Rs. Lakhs)		
1.	Subscription . . . . .		140	79	8	7	231
2.	Rent . . . . .	31					35
3.	Air conditioning charges	5					5
4.	Service charges—Buildings	1					1
5.	Services charges of Teleprinters		2	..			2
6.	Miscellaneous . . . . .		1	1	2	..	4
	<b>TOTAL . . . . .</b>	<b>37</b>	<b>143</b>	<b>80</b>	<b>10</b>	<b>7</b>	<b>277</b>
<b>B. EXPENSES</b>							
1.	Staff . . . . .	..	91	41	5	5	112
2.	Paper rolls, tapes, ribbons and spare parts . . . . .	..	15	8	1	1	25
3.	Postage, telegrams and telephones . . . . .	..	13	5	1	..	19
4.	Foreign news service . . . . .	..	12	5	..	..	17
5.	Long distance circuit rental	..	7	8	..	..	15
6.	Travelling . . . . .	..	8	2	1	..	11

	1	2	3	4	5	6
7. Depreciation . . . . .	6	3	3	..	..	12
8. In erest . . . . .	8	..	1	..	..	9
9. Provision for bad debts and advances . . . . .	..	5	..	..	..	5
10. Other expenses . . . . .	10	17	7	3	2	39
<b>TOTAL . . . . .</b>	<b>24</b>	<b>171</b>	<b>80</b>	<b>11</b>	<b>8</b>	<b>294</b>
<b>C. SURPLUS (DEFICIT) . . . . .</b>	<b>13</b>	<b>(28)</b>	<b>..</b>	<b>(1)</b>	<b>(1)</b>	<b>(17)</b>
<b>D. Income not relating to the year . . . . .</b>	<b>..</b>	<b>10</b>	<b>7</b>	<b>..</b>	<b>..</b>	<b>17</b>
<b>E. NET SURPLUS (DEFICIT) . . . . .</b>	<b>13</b>	<b>(18)</b>	<b>7</b>	<b>(1)</b>	<b>(1)</b>	<b>..</b>



## APPENDIX—XI

(XXXIX)

**SAMACHAR**

## OPERATING RESULTS BY DEPARTMENTS

## CURRENT LEVELS

	English News	Hindi News	Foreign News
<b>A. INCOME</b>			(Rs. Lakhs)
1. Subscription . . . . .	225	11	
2. Miscellaneous . . . . .	4	1	..
<b>TOTAL . . . . .</b>	<b>229</b>	<b>12</b>	<b>4</b>
<b>B. EXPENDITURE</b>			
1. Staff . . . . .	175	20	5
2. Foreign News Service . . . . .			17
3. Pool Telex . . . . .			9
4. Direct Expenses—Foreign . . . . .			8
5. Other Expenses—Common . . . . .	88	10	3
<b>TOTAL . . . . .</b>	<b>263</b>	<b>30</b>	<b>42</b>
<b>C. DEFICIT . . . . .</b>	<b>34</b>	<b>18</b>	<b>38</b>
<b>D. LESS : INCOME FROM PROPERTY . . . . .</b>	<b>6</b>	<b>6</b>	<b>..</b>
<b>NET DEFICIT . . . . .</b>	<b>28</b>	<b>12</b>	<b>38</b>

## APPENDIX—XII

(XL)

**SAMACHAR**  
OPERATING RESULTS

For the year ending on 31st March  
1978                      1977  
News Property      News Property  
Agency              Agency

	1	2	3	4
<b>A. INCOME</b>				
		(Rs. Lakhs)		
1. Subscription . . . . .	240		236	
2. Rent . . . . .		30		30
3. Air conditioning charges . . . . .		5		5
4. Service charges . . . . .		1		1
5. Miscellaneous . . . . .	5		5	
<b>TOTAL . . . . .</b>	<b>245</b>	<b>36</b>	<b>241</b>	<b>36</b>
<b>B. EXPENDITURE</b>				
1. Staff . . . . .	200	..	168	..
2. Paper rolls, Tapes, Ribbons and spare parts . . . . .	23	..	21	..
3. Postage, Telegrams and Telephones . . . . .	23	..	21	..
4. Foreign News Service . . . . .	17	..	17	..
5. Long-distance Circuit Rental . . . . .	13	..	13	..
6. Travelling . . . . .	15	..	13	..

	1	2	3	4
7. Pool Telex . . . . .	9	..	7	..
8. Depreciation . . . . .	6	6	6	6
9. Interest . . . . .	..	8	..	8
10. Other expenses . . . . .	29	10	25	10
<b>TOTAL . . . . .</b>	<b>335</b>	<b>24</b>	<b>291</b>	<b>24</b>
<b>C. SURPLUS (DEFICIT) . . . . .</b>	<b>(90)</b>	<b>12</b>	<b>(50)</b>	<b>12</b>
<b>D. Grant-in-aid from Government of India . . . . .</b>			50	



P.D.B. २६

2,000



*Price : Inland Rs. 17.75*

*Foreign £ 2.08 or 6 s. 39 cents.*

PRINTED BY THE GENERAL MANAGER, GOVERNMENT OF INDIA PRESS,  
MINTO ROAD, NEW DELHI AND PUBLISHED BY  
THE CONTROLLER OF PUBLICATION, CIVIL LINES, DELHI